

Date: 27th September 2022

BSE Scrip Code: **533293**

NSE Scrip Code: **KIRLOSENG**

To
Corporate Relationship Department
BSE Limited
1st Floor, Rotunda Building,
Dalal Street, Fort,
Mumbai – 400 001

To
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C -1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Dear Sir/Madam,

This is to inform you that:

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 including amendments thereunder and in continuation to earlier communication dated 20th June 2017, 21st June 2017, 2nd August 2017, 5th February 2021 and 21st September 2022, this is to inform you that the Company has acquired balance 24% equity shares of La-Gajjar Machinerries Private Limited (LGM) as per the Shareholders' Agreement including amendments thereof on 26th September 2022. Consequent to the aforesaid acquisition, the Company is holding 100% equity shares of LGM and LGM has become a Wholly Owned Subsidiary of the Company, instead of Subsidiary Company.

Please find below details of the proposed acquisition under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 including amendments thereunder, read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September 2015:

Sr. No.	Particulars	Description
1	Name and address of the target entity, details in brief such as size, turnover etc.	<p>La-Gajjar Machineries Private Limited having its registered office at Nagarwel Hanuman Road, Acidwala Estate Opp. Sukhrampura Amraiwadi, Ahmedabad - 380026.</p> <p>LGM has been engaged in the manufacturing and sale of Submersibles and monoblock pumps and pump sets and stainless steel pumps in the domestic and export markets since its incorporation in 1981. LGM is a subsidiary of KOEL since 1st August 2017. With effect from 26th September 2022, LGM has become a Wholly Owned Subsidiary of the Company.</p> <p>The turnover of LGM for the financial year ended 31st March 2022 as per audited Financial Statements was Rs. 542.18 Crores.</p>
2	Whether the acquisition would fall within related party transaction (s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arm’s length”	<p>As mentioned above, LGM is a Wholly Owned Subsidiary of the Company and as such a Related Party.</p> <p>The purchase of balance 24% Equity stake of LGM is out of exercise of Exit option by the Company, hence this would not be considered as a Related Party Transaction.</p> <p>None of the promoter / promoter group / group companies of the Company have any interest in LGM, except to the extent of LGM being a Wholly Owned Subsidiary of the Company.</p>

Sr. No.	Particulars	Description
3	Industry to which the entity being acquired belongs	Manufacturing and sale of Electric Pumps and Pumpsets.
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	KOEL is inter alia in the business of manufacturing and selling of pump sets. The acquisition of balance shares of LGM provides KOEL an opportunity to consolidate its shareholding in the company with a strong and established footprint into the electric pump market through its 'Varuna' and 'Raindrop' brand of submersible and monoblock pumps which enables further consolidation of KOEL's strong position in the pump segment. This acquisition underlines our commitment and focus to consolidate, grow and deliver in the space of energy, water and food.
5	Brief details of any governmental or regulatory approvals required for the acquisition	No governmental or regulatory approvals are required for this acquisition.
6	Indicative time period for completion of the acquisition	Transaction completed on 26 th September 2022.
7	Nature of consideration - Whether cash consideration or share swap and details of the same	Cash Consideration
8	Cost of acquisition or the price at which the shares are acquired;	The Final acquisition price was determined based on the Shareholder's Agreement and amendments thereof which is Rs. 109.36 Crore.
9	Percentage of shareholding / control acquired and / or number of shares acquire	100%

Sr. No.	Particulars	Description
10	Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>LGM was incorporated in 1981 and was the first Company to launch oil filled motors in India. It is engaged in the business of Submersible Pumpset, monoblock pumps and Stainless steel pumps.</p> <p>KOEL has acquired 76% equity stake in LGM in the year 2017 by which LGM has become a subsidiary of KOEL. On 26th September 2022, KOEL has acquired balance 24% equity stake in LGM, post the said acquisition, LGM has become a Wholly Owned Subsidiary of KOEL.</p> <p>Revenue for last 3 financial years:</p> <p>FY 2019-20: Rs. 467.00 Crores FY 2020-21: Rs. 519.83 Crores FY 2021-22: Rs. 542.18 Crores</p>

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

Smita Raichurkar
Company Secretary and Head Legal