



Enriching Lives

KIRLOSKAR OIL ENGINES LIMITED
A Kirloskar Group Company

Date: 30th October 2020

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 Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) 2015, please find enclosed herewith:

1. The Standalone and Consolidated Un-audited Financial Results of the Company for the quarter and half year ended 30th September 2020, which were approved by the Board of Directors in its meeting held on 30th October 2020;
2. A copy of Limited Review Report of the Company, dated 30th October 2020, received from P G BHAGWAT LLP, Chartered Accountants, Statutory Auditors of the Company;

The meeting of the Board of Directors of the Company commenced at 12-25 pm and concluded at 2:07 pm.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

Smita Raichurkar
Company Secretary



Encl.: As above.

KIRLOSKAR OIL ENGINES LIMITED

CIN : L29100PN2009PLC133351

Registered office : Laxmanrao Kirloskar Road, Khadki, Pune - 411003

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER 2020

(₹ in Crores)

Particulars	Quarter ended			Half year ended		Year ended
	30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income						
a) Revenue from operations	661.72	320.44	681.90	982.16	1,445.56	2,877.48
b) Other Income	6.41	4.82	9.11	11.23	21.13	37.39
Total income	668.13	325.26	691.01	993.39	1,466.69	2,914.87
2 Expenses						
a) Cost of raw materials and components consumed	285.88	111.80	301.27	397.68	636.50	1,302.98
b) Purchase of traded goods	125.75	52.74	153.50	178.49	334.18	598.75
c) Changes in inventories of finished goods, work-in-progress and traded goods	10.52	39.86	(9.20)	50.38	(15.97)	(27.76)
d) Employee benefits expense	41.80	44.64	57.32	86.44	110.83	217.81
e) Finance costs	1.81	0.52	0.95	2.33	1.63	3.82
f) Depreciation and amortisation expense	15.07	14.75	16.36	29.82	33.54	66.63
g) Other expenses	122.21	75.92	135.11	198.13	263.51	543.91
Total expenses (a to g)	603.04	340.23	655.31	943.27	1,364.72	2,706.14
3 Profit/(Loss) before exceptional items and tax	65.09	(14.97)	35.70	50.12	102.47	208.73
4 Exceptional items - (Expenses) / Income	-	-	16.49	-	16.49	16.49
5 Profit/(Loss) before tax (3 + 4)	65.09	(14.97)	52.19	50.12	118.96	225.22
6 Tax expense :						
Current tax	13.63	-	15.37	13.63	37.66	55.38
Deferred tax	4.23	(4.17)	(0.16)	0.06	0.21	(0.54)
Total Tax expense (6)	17.86	(4.17)	15.21	13.69	37.87	54.84
7 Net Profit / (Loss) for the period (5 - 6)	47.23	(10.80)	36.98	36.43	81.09	170.38
8 Other Comprehensive Income / (Expense)						
Re-measurement gains / (losses) on defined benefit plans and others	0.57	0.13	(1.12)	0.70	(1.22)	(2.59)
Income tax effect on above	(0.15)	(0.03)	0.35	(0.18)	0.38	0.65
Total other comprehensive income for the year, net of tax (8)	0.42	0.10	(0.77)	0.52	(0.84)	(1.94)
9 Total comprehensive income for the year, net of tax (7 + 8)	47.65	(10.70)	36.21	36.95	80.25	168.44
10 Paid-up equity share capital (Face value of ₹ 2 each)	28.92	28.92	28.92	28.92	28.92	28.92
11 Other Equity						1,801.32
12 Basic and diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	3.27	(0.75)	2.56	2.52	5.61	11.78

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Notes :

1. Statement of assets and liabilities (Balance Sheet)

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Particulars	(₹ in Crores)	
	Standalone	
	As at	As at
	30-09-2020	31-03-2020
	Unaudited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment		
(b) Capital work-in-progress	320.21	329.82
(c) Right-of-use assets	44.38	30.30
(d) Other intangible assets	13.15	11.45
(e) Intangible assets under development	17.72	21.00
(f) Financial assets	48.84	44.10
(i) Investments		
(ii) Loans	827.75	782.37
(iii) Other financial assets	0.04	0.05
(g) Other non-current assets	37.30	35.94
Sub-total - Non-current assets	50.59	69.12
II. Current assets	1,359.98	1,324.15
(a) Inventories		
(b) Financial assets	246.91	300.33
(i) Investments		
(ii) Trade receivables	458.94	319.04
(iii) Cash and cash equivalents	302.77	362.83
(iv) Bank balance other than (iii) above	17.19	2.89
(v) Loans	88.46	14.24
(vi) Other financial assets	3.13	0.03
(c) Assets held for sale	59.40	61.88
(d) Other current assets	0.03	0.12
Sub-total - Current assets	46.77	72.84
TOTAL - ASSETS	1,223.60	1,134.20
	2,583.58	2,458.35
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital		
(b) Other equity	28.92	28.92
Capital redemption reserve		
General reserve	0.20	0.20
Retained earnings	608.39	608.39
Sub-total - Equity	1,229.68	1,192.73
LIABILITIES	1,867.19	1,830.24
I. Non-current liabilities		
(a) Financial liabilities		
(i) Lease liabilities		
(ii) Other financial liabilities	1.23	-
(b) Provisions	17.91	18.55
(c) Deferred tax liabilities (net)	27.34	34.43
(d) Other non-current liabilities	5.40	5.16
Sub-total - Non-current liabilities	17.70	16.58
II. Current liabilities	69.58	74.72
(a) Financial liabilities		
(i) Borrowings		
(ii) Trade and other payables	108.73	15.26
- Total outstanding dues of micro enterprises and small enterprises	47.92	22.24
- Total outstanding dues of creditors other than micro enterprises and small enterprises	314.71	325.85
(iii) Lease liabilities	0.85	0.36
(iv) Other financial liabilities		
(b) Other current liabilities	52.68	51.81
(c) Provisions	55.11	79.22
(d) Government grants	66.11	57.95
Sub-total - Current liabilities	0.70	0.70
TOTAL - EQUITY AND LIABILITIES	646.81	553.39
	2,583.58	2,458.35

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Particulars	(₹ in Crores)		
	Half year ended		Year Ended
	As at 30-09-2020	As at 30-09-2019	As at 31-03-2020
	Unaudited	Unaudited	Audited
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before Tax	50.12	118.96	225.22
Adjustments to reconcile profit before tax to net cash flows:			
Add:			
Depreciation and Amortisation	29.82	33.54	66.63
Inventories written down	4.08	(0.31)	3.19
Bad debts and irrecoverable balances written off	0.18	0.12	0.54
Provision for doubtful debts and advances (net) (including expected credit loss)	15.23	3.35	7.62
Loss on Revaluation on Imports Payable	0.02	0.01	0.29
(Profit)/Loss on Revaluation on Exports Receivable	2.92	(1.01)	(2.75)
Finance costs	2.33	1.63	3.82
Amortisation of rent expenses	0.38	0.38	0.75
	54.96	37.71	80.09
Less :			
Profit/(Loss) on disposal of property, plant & Equipment	-	(0.21)	0.30
Profit / (Loss) on sale of mutual fund investment at FVTPL (net)	2.09	7.72	24.03
Marked to Market gain on investments measured at FVTPL	3.26	6.51	0.17
Unwinding of interest on deposits & Government Grant (Subsidy)	1.45	1.72	2.80
Exceptional Items (Profit on sale of leasehold Property)	-	16.49	16.49
Sundry Credit Balances Appropriated	0.01	1.99	3.51
Provisions no longer required written back	0.66	1.64	3.03
Revenue from deferred EPCG income	-	-	0.15
Interest income	1.21	0.33	-
Dividend income	0.00	-	0.00
	8.68	36.19	50.48
Operating Profit before working capital changes	96.40	120.48	254.83
<i>Working Capital Adjustments</i>			
(Increase) / Decrease in Government Grant Receivable	3.36	3.99	6.19
(Increase) / Decrease in Trade and Other Receivables	(38.07)	151.59	133.53
(Increase) / Decrease in Inventories	49.33	(49.64)	(61.33)
Increase / (Decrease) in Trade and other Payables	13.53	(43.20)	(38.81)
Increase / (Decrease) in Provisions	1.29	2.24	1.13
	29.44	64.98	40.71
Net Cash generated from operations	125.84	185.46	295.54
Direct taxes refund/(paid) [Net]	2.42	(41.59)	(67.87)
NET CASH FLOW FROM OPERATING ACTIVITIES	128.26	143.87	227.67
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of PPE & other intangible assets including advance	0.06	0.04	0.36
Commission on sale of leasehold Property	-	-	(0.28)
Investments in mutual funds [Net]	(134.55)	391.94	416.39
Dividend received	-	0.00	0.00
Investment in subsidiary	(45.39)	(499.50)	(499.50)
Investment in other company	-	-	(0.49)
Payments for Purchase of Property, Plant and Equipment	(25.70)	(33.87)	(75.58)
Interest income	0.93	0.33	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	(204.65)	(141.06)	(159.20)
CASH FLOW FROM FINANCING ACTIVITIES			
Payments for lease liabilities	(0.55)	(0.19)	(0.38)
Finance Costs	(2.23)	(1.60)	(3.78)
Proceeds from borrowings	108.73	23.39	15.26
Repayments of borrowings	(15.26)	(13.07)	(13.07)
Final and Interim Dividend Paid	-	(36.15)	(94.00)
Tax on Final and Interim Dividend	-	(7.43)	(19.32)
NET CASH USED IN FINANCING ACTIVITY	90.69	(35.05)	(115.29)
Net increase / (decrease) in cash and cash equivalents	14.30	(32.24)	(46.82)
Opening Cash and Cash equivalents	2.89	49.71	49.71
Closing Cash and Cash equivalents	17.19	17.47	2.89

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- 3 The Company operates in single reportable segment namely 'Engines'.
- 4 The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 5 The Board of Directors in its meeting held on 30th July 2020, had given its consent to invest in Rights Issue for equity shares of Arka Fincap Limited (formerly known as Kirloskar Capital Limited - wholly owned subsidiary), upto Rs. 124.82 Crs. During the quarter, the Company has invested Rs.45.39 Crs at Rs 4/- per share (including share premium of Rs 1 per share).
- 6 Exceptional item consisted of profit on sale of property situated at MIDC Industrial Estate, Nagapur, Ahmednagar, Maharashtra.
- 7 The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results including recovering of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Company has at the date of approval of financial results, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.
- 8 Additional disclosures as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sr. No	Particulars	As at 30 September, 2020			As at 30 June, 2020	As at 31 March, 2020	As at 30 September, 2019
i	Debt Equity ratio (no of times)*		0.06		0.01	0.01	0.01
ii	Debt Service Coverage Ratio DSCR (no of times)**		23.48		(28.86)	56.37	51.48
iii	Interest Service Coverage Ratio ISCR (no of times)***		23.48		(28.86)	56.37	51.48
iv	Capital redemption reserve #		0.20		0.20	0.20	0.20
v	Net worth ^ (Rs in Crs)		1853.99		1806.33	1817.03	1798.57
vi	Details of previous and next due date of principal of Commercial Papers (CPs) are as follows:				NA	NA	NA
	Details of CP						
		ISIN	Amount (In Crs.)	Date of Redemption/ Payment##			
a	CPs-4.6% p.a. (issued 3rd August 2020)	INE146L14013	50.00	29th Oct 2020			
b	CPs-5% p.a. (issued 4th August 2020)	INE146L14013	50.00	29th Oct 2020			
vii	Credit rating for Commercial Papers was 'CRISIL A1+'.						

*Debt-Equity Ratio = Total Borrowings divided by Equity (Paid up share capital + Other equity)

**DSCR = Profit before interest and exceptional items divided by Interest expense + principal repayments of Term loan.

*** ISCR = Profit before interest and exceptional items divided by interest expense.

For computation of ratios Interest expenses include finance costs as per standalone Ind AS financial statements excluding interest cost of Ind AS 116.

Capital Redemption reserve created for equity shares buy back in FY 2012-13.

^ Net worth as per section 2(57) of Companies Act, 2013.

Maturity Date of said CPs was 30th October 2020; however 30th October 2020 being a bank holiday, the proceeds of said Commercial Papers were paid/redeemed on 29th October 2020 i. e. immediately preceding working day, as per the FIMMDA Guidelines dated 27th March 2020.

- 9 Figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 10 The above results for the quarter ended 30 September 2020 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 30 October 2020 and are subjected to a "Limited Review" by the Statutory Auditors.


Registered Office:

Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003

Place : Pune

Date : 30 October 2020

For Kirloskar Oil Engines Limited



SANJEEV NIMBKAR

Managing Director

DIN:07869394

P G BHAGWAT LLP
Chartered Accountants
LLPIN: AAT-9949

HEAD OFFICE
Suites 102, 'Orchard'
Dr. Pai Marg, Baner, Pune – 411045
Tel (O): 020 – 27290771/1772/1773
Email: pgb@pgbhagwatca.com
Web: www.pgbhagwatca.com

Independent Auditor's Review Report On standalone unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015


The Board of Directors
Kirloskar Oil Engines Limited .
Laxmanrao Kirloskar road,
Khadki, Pune 411003

We have reviewed the accompanying statement of standalone unaudited financial results of **Kirloskar Oil Engines Limited** for the period ended 30th September 2020 being submitted by the company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations and disclosure - requirements) Regulations, 2015, as amended.

The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

P G BHAGWAT LLP
Chartered Accountants
FRN : 101118W / W100682


Sanjay Athavale
Partner
Membership No. 83374
Pune : 30.10.2020



UDIN : 20083374AAAAFS4251

KIRLOSKAR OIL ENGINES LIMITED
CIN : 129100PN2009PLC133351
Registered office : Laxmanrao Kirloskar Road, Khadki, Pune - 411003
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2020

(₹ In Crores)

Particulars	Consolidated						Year ended 31-03-2020 Audited
	Quarter ended			Half year ended			
	30-09-2020 Unaudited	30-06-2020 Unaudited	30-09-2019 Unaudited	30-09-2020 Unaudited	30-09-2019 Unaudited		
1 Income							
a) Revenue from operations	827.95	422.33	816.81	1,250.28	1,717.54		3,379.45
b) Other Income	6.93	5.11	11.34	12.04	23.98		42.51
Total income	834.88	427.44	828.15	1,262.32	1,741.82		3,421.96
2 Expenses							
a) Cost of raw materials and components consumed	361.99	136.98	379.12	498.97	789.11		1,576.52
b) Purchase of traded goods	135.99	59.51	161.14	195.90	348.15		629.51
c) Changes in inventories of finished goods, work-in-progress and traded goods	12.28	64.09	(20.51)	76.37	(28.29)		(60.25)
d) Employee benefits expense	55.26	57.26	70.78	112.52	134.94		270.37
e) Finance costs	11.86	5.17	2.95	17.03	5.89		14.21
f) Depreciation and amortisation expense	20.32	19.91	21.32	40.23	43.45		87.34
g) Other expenses	154.95	93.36	171.46	248.31	334.81		679.61
Total expenses (a to g)	752.65	436.68	736.26	1,189.33	1,628.06		3,193.71
3 Profit/(Loss) before exceptional items and tax	82.23	(9.24)	41.89	72.99	113.76		228.25
4 Exceptional items - (Expenses) / Income	-	-	16.49	-	16.49		16.49
5 Profit / (loss) before tax (3 + 4)	82.23	(9.24)	58.38	72.99	130.25		244.74
6 Tax expense :							
Current tax	19.42	2.94	18.57	22.36	44.05		64.60
Deferred tax	3.30	(5.45)	(1.09)	(2.15)	(1.83)		(7.75)
Total Tax expense (6)	22.72	(2.51)	17.48	20.21	42.22		56.85
7 Net Profit / (Loss) for the period (5 - 6)	59.51	(6.73)	40.90	52.78	88.03		187.89
8 Other Comprehensive Income / (Expense)							
Re-measurement gains / (losses) on defined benefit plans and others	0.50	0.08	(1.04)	0.58	(1.13)		(2.87)
Income tax effect on above	(0.13)	(0.02)	0.34	(0.15)	0.36		0.73
Total other comprehensive income for the year, net of tax (8)	0.37	0.06	(0.70)	0.43	(0.77)		(2.14)
9 Total comprehensive income for the year, net of tax (7 + 8)	59.88	(6.67)	40.20	53.21	87.26		185.75
10 Profit/(Loss) for the period attributable to:							
a) Owners of the Company	57.54	(6.87)	39.99	50.67	86.53		185.18
b) Non-controlling interest	1.97	0.14	0.91	2.11	1.50		2.71
11 Other comprehensive income for the period attributable to:							
a) Owners of the Company	0.38	0.07	(0.71)	0.45	(0.78)		(2.09)
b) Non-controlling interest	(0.01)	(0.01)	0.01	(0.02)	0.01		(0.05)
12 Total comprehensive income for the period attributable to:							
a) Owners of the Company	57.92	(6.80)	39.28	51.12	85.75		183.09
b) Non-controlling interest	1.96	0.13	0.92	2.09	1.51		2.66
13 Paid-up equity share capital (Face value of ₹ 2 each)	28.92	28.92	28.92	28.92	28.92		28.92
14 Other Equity							1,716.24
15 Basic and diluted EPS (₹) (Face value of ₹ 2 each) [not annualized]	3.98	(0.48)	2.77	3.50	5.98		12.81

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Notes:

- 1 The Parent Company operates in single reportable segment namely 'Engines'. However at consolidated level the Group has identified three reportable segments namely 'Engines', 'Electric Pumps' and 'Financial Services'. The identification of operating segments is consistent with performance assessment and resource allocation by the management. The Consolidated Statement of Segment wise Revenue, Results, Assets and Liabilities are as under:

Particulars	Consolidated					
	Quarter ended			Half year ended		Year ended
	30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
SEGMENT REVENUE						
Engines	594.32	267.47	630.10	861.79	1319.28	2655.43
Electric Pumps	163.35	103.60	143.01	266.95	302.09	541.16
Financial Services	22.89	16.57	30.38	39.46	19.01	48.20
Others	47.23	34.09	32.82	81.32	76.63	132.86
Unallocated	0.16	0.60	0.50	0.76	0.83	1.80
REVENUE FROM OPERATIONS	827.95	422.33	816.81	1250.28	1717.84	3379.45
SEGMENT RESULTS						
Engines	63.87	(14.60)	31.27	48.27	95.94	205.08
Electric Pumps	12.66	2.25	7.22	14.91	14.96	20.69
Financial Services	13.85	7.79	1.38	21.64	2.91	12.83
Others	1.61	(0.77)	(4.84)	0.84	(9.49)	(14.88)
Unallocated	2.10	1.26	5.81	3.36	14.33	17.74
Total	94.09	(4.07)	44.84	90.02	119.65	242.46
Less:						
(i) Finance Cost	11.86	5.17	2.95	17.03	5.89	14.21
(ii) Exceptional Item	0.00	0.00	(16.49)	0.00	(16.49)	(16.49)
Profit/(Loss) Before Tax	82.23	(9.24)	59.38	72.99	130.25	244.74
SEGMENT ASSETS						
Engines	1054.90	1050.71	1099.07	1054.90	1099.07	1175.74
Electric Pumps	471.22	446.81	474.05	471.22	474.05	486.46
Financial Services	1140.49	801.91	530.48	1140.49	530.48	617.47
Others	65.31	64.02	76.05	65.31	76.05	66.69
Unallocated assets	621.48	419.46	414.64	621.48	414.64	415.53
TOTAL ASSETS	3353.40	2782.91	2594.29	3353.40	2594.29	2761.89
SEGMENT LIABILITIES						
Engines	497.79	371.54	490.08	497.79	490.08	496.90
Electric Pumps	187.42	167.63	191.32	187.42	191.32	202.40
Financial Services	557.28	268.17	8.58	557.28	8.58	88.18
Others	59.46	79.83	29.98	59.46	29.98	59.05
Unallocated Liabilities	258.68	159.84	135.22	258.68	135.22	160.20
TOTAL LIABILITIES	1560.63	1047.01	855.18	1560.63	855.18	1016.73

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2 Statement of assets and liabilities (Balance Sheet)

Particulars	(₹ in Crores)	
	Consolidated	
	As at	As at
	30-09-2020	31-03-2020
	Unaudited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	342.07	352.32
(b) Capital work-in-progress	44.33	30.32
(c) Right-of-use assets	26.42	24.94
(d) Goodwill	184.50	184.50
(e) Other Intangible assets	54.96	61.02
(f) Intangible assets under development	50.61	47.45
(g) Financial assets		
(i) Investments	89.61	74.33
(ii) Trade receivables		
(iii) Receivables of Financial Service Business	299.45	181.13
(iv) Loans	0.23	0.28
(v) Other financial assets	50.16	49.22
(h) Deferred tax assets (net)	3.32	3.02
(i) Other non-current assets	55.34	73.66
Sub-total - Non-current assets	1,201.50	1,082.19
II. Current assets		
(a) Inventories	323.89	405.77
(b) Financial assets		
(i) Investments	728.49	353.29
(ii) Trade receivables	381.63	412.10
(iii) Cash and cash equivalents	265.18	128.34
(iv) Bank balance other than (iii) above	38.47	14.25
(v) Receivables of Financial Service Business	212.00	180.75
(vi) Loans	3.21	0.26
(vii) Other financial assets	62.58	63.42
(c) Assets held for sale	0.03	0.12
(d) Current tax assets (net)	0.35	0.64
(e) Other current assets	86.07	115.76
Sub-total - Current assets	2,151.90	1,679.70
TOTAL - ASSETS	3,353.40	2,761.89
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	28.92	28.92
(b) Other equity		
(i) Capital redemption reserve	0.20	0.20
(ii) Share Premium		
(iii) General reserve	608.39	608.39
(iv) Statutory reserve	1.22	1.22
(v) Employee Stock Option Reserve	6.19	4.72
(vi) Retained earnings	1,147.54	1,101.40
(vii) Reserves representing unrealised gains/ losses	0.31	0.31
Sub-total - Equity	1,792.77	1,745.16
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	287.19	64.44
(ii) Lease Liabilities	8.13	7.51
(iii) Other financial liabilities	135.82	129.33
(b) Provisions	28.38	35.73
(c) Deferred tax liabilities (net)	13.93	15.14
(d) Other non-current liabilities	17.70	16.58
Sub-total - Non-current liabilities	491.65	268.73
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	323.56	34.92
(ii) Trade and other payables		
- total outstanding dues of micro enterprises and small enterprises	85.03	55.96
- total outstanding dues of creditors other than micro enterprises and small enterprises	342.24	357.61
(iii) Lease liabilities	3.78	2.57
(iv) Other financial liabilities	164.38	90.29
(b) Other current liabilities	61.52	87.11
(c) Provisions	87.77	69.04
(d) Government grants	0.70	0.70
Sub-total - Current liabilities	1,068.98	748.00
TOTAL - EQUITY AND LIABILITIES	3,353.40	2,761.89

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3 Statement of Cash Flow

Particulars	Consolidated		
	As at 30-09-2020	As at 30-09-2019	As at 31-03-2020
	Unaudited	Unaudited	Audited
CASH FLOW FROM OPERATING ACTIVITIES	72.99	130.25	244.74
Profit before Tax			
<i>Adjustments to reconcile profit before tax to net cash flows:</i>			
Add:			
Depreciation and Amortisation	40.23	43.45	87.34
Inventories written down	6.45	2.41	5.94
Bad debts and irrecoverable balances written off	0.21	0.17	2.93
Provision for doubtful debts and advances (net) (Including expected credit loss)	16.17	3.71	6.89
Loss/(profit) on Revaluation on Imports Payable	0.03	(0.01)	0.30
Loss / (profit) on Revaluation on Exports Receivable	3.05	(1.12)	(3.81)
Loss on Revaluation on Forex Loans	-	-	1.17
Provisions for share based payments	1.47	2.51	4.72
Unrealised Exchange Differences in translating the financial statements of a foreign operation	-	0.06	0.05
Finance cost	17.03	5.89	14.21
Amortisation of rent expenses	1.22	0.63	1.42
Less:	85.86	57.70	121.16
Profit / (Loss) on disposal of assets & Others	0.02	(0.88)	(2.77)
Amortised discount income on commercial paper	2.02	-	7.42
Interest received on debt instrument	8.06	0.33	5.40
Profit / (Loss) on sale of mutual fund investment at FVTPL (net)	2.09	10.98	24.03
Marked to Market gain on investments measured at FVTPL including of financial service business	3.53	7.39	0.25
Unwinding of interest on deposits & Government Grant (Subsidy receivable under PSI scheme, 2001)	0.90	2.33	3.93
Exceptional Items (Profit on sale of leasehold Property)	-	16.49	16.49
Interest Income	4.14	-	-
Sundry Credit Balances Appropriated	0.02	1.99	3.70
Provisions no longer required written back	0.99	2.35	3.52
Revenue from deferred EPCG income	-	-	0.15
Dividend Income	0.00	0.00	0.00
Operating Profit before working capital changes	21.77	41.03	62.12
<i>Working Capital Adjustments</i>	137.08	146.92	303.78
(Increase) / Decrease in Government Grant Receivables	2.30	3.99	6.19
(Increase) / Decrease in Trade and Other Receivables	(67.28)	144.29	129.78
(Increase) / Decrease in Receivables of Financial Service Business	(149.58)	(120.28)	(383.14)
(Increase) / Decrease in Inventories	75.43	(72.09)	(102.13)
Increase / (Decrease) in Trade and other Payables	10.20	(15.14)	(24.14)
Increase / (Decrease) in Provisions	5.30	6.93	2.79
Net Cash generated from operations	(124.09)	(52.30)	(350.65)
Direct taxes Refund/ (paid) [net]	13.05	94.62	(46.87)
NET CASH FLOW FROM OPERATING ACTIVITIES	14.03	47.70	(124.17)
CASH FLOW FROM INVESTING ACTIVITIES			
Add :			
Proceeds from sale of PPE & other intangible assets including advance	0.11	0.65	1.07
Commission on sale of leasehold Property	-	-	(0.38)
Investment in / Proceeds from Sale of Investments (Net)	(375.13)	38.00	310.80
Interest received on debt instrument	5.15	0.33	5.24
Interest income	3.86	-	-
Dividend Income	-	0.00	0.00
Investment in equity instrument of other companies	-	-	(0.49)
Payments for Purchase of Property, Plant and Equipment	(29.34)	(37.43)	(82.89)
NET CASH GENERATED FROM INVESTING ACTIVITIES	(395.35)	1.55	233.35
CASH FLOW FROM FINANCING ACTIVITIES			
Payment for lease liabilities	(2.66)	(2.37)	(3.10)
Finance cost	(14.44)	(5.48)	(13.35)
Proceeds/(Repayment) borrowings (Net)	535.26	(2.00)	87.69
Stamp duty paid on right issue by subsidiary company (Arka Fincap Limited)	-	(0.50)	(0.50)
Final and Interim Dividend Paid	-	(36.15)	(94.00)
Tax on Final and Interim Dividend	-	(7.43)	(19.32)
NET CASH USED IN FINANCING ACTIVITY	518.16	(53.94)	(42.58)
Net increase / (decrease) in cash and cash equivalents	126.84	(4.69)	66.60
Opening Cash and Cash equivalents	128.34	61.74	61.74
Closing Cash and Cash equivalents	265.18	57.05	128.34

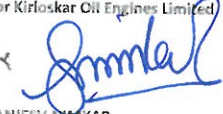
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- 4 As per IND AS 108 "Operating Segments", The Group has reported 'Segment information' as described below:-
- Engines - The Engines segment includes production, sales and services of Engines, Gensets and spares parts.
 - Electric Pumps - The Electric Pumps segment includes production, sales and services of Electric Pumps.
 - Financial Services - This segment includes operations of rendering financial services through wholly owned NBFC subsidiary ARKA Fincap Limited. (formerly known as Kirloskar Capital Limited)
 - Other Segments - This represents others operating business segments which are not separately reportable as per IND AS criterion.
 - Unallocable - Unallocable comprises of assets, liabilities, revenue and expenses which are not directly related with any of operating segments.
- 5 The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 6 Exceptional item consist of profit on sale of property situated at MIDC Industrial Estate, Nagapur, Ahmednagar, Maharashtra.
- 7 The Board of Directors in its meeting held on 30th July 2020, had given its consent to invest in Rights Issue for equity shares of Arka Fincap Limited (formerly known as Kirloskar Capital Limited - wholly owned subsidiary), upto Rs. 124.82 Crs. During the quarter, the Parent Company has invested Rs. 45.39 Crs at Rs 4/- per share (including share premium of Rs 1 per share).
- 8 The Group has considered the possible effects that may result from COVID-19 in the preparation of these financial results including recovering of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of COVID-19, the Group has at the date of approval of financial results, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.
- 9 The Consolidated Financials Results includes the results of following Subsidiaries:-
- La-Gajjar Machineris Private Limited
 - ARKA Fincap Limited (Formerly known as Kirloskar Capital Limited)
 - KOEL Americas Corp.
- 10 The figures for the previous periods have been regrouped wherever required to make them comparable with those of the current period.
- 11 The above results for the half year ended 30 September 2020 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 30 October 2020 and are subjected to a "Limited Review" by the Statutory Auditors.

Registered Office:
Laxmanrao Kirloskar Road,
Khadki, Pune - 411 003

Place : Pune
Date : 30 October 2020

For Kirloskar Oil Engines Limited


SANJEEV NIMKAR
Managing Director
DIN:07869394

P G BHAGWAT LLP
Chartered Accountants
LLPIN: AAT-9949

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Independent Auditor's Review Report On consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Kirloskar Oil Engines Limited
Laxmanrao Kirloskar road,
Khadki, Pune 411003

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Kirloskar Oil Engines Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the period ended 30th September 2020 being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, read with the Circular is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information. Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following subsidiaries :

- La-Gajjar Machineries Pvt Ltd
- ARKA Finecap Limited (Formerly known as Kirloskar Capital Limited)
- KOEL Americas Corp.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial information of one subsidiary included in the consolidated unaudited financial results, whose interim financial information reflect total assets of Rs.1138.64 crs as at 30th Sept 2020 and total revenues of Rs. 39.46 crs and Rs.22.90 crs, total net profit after tax of Rs. 7.05 crs and Rs.3.49 crs and total comprehensive income of Rs. 7.05 crs and Rs.3.49 crs for the period from April 2020 to 30th Sept 2020 and for the quarter ended 30th Sept 2020 respectively and cash flows (net) of Rs. 123.90 crs for the period from 1st April 2020 to 30th Sept 2020 as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

Offices at: Mumbai | Kolhapur | Belgaum | Hubli | Dharwad | Bengaluru

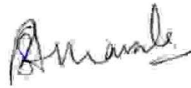
M/s P.G. Bhagwat a partnership firm was converted and incorporated as Limited Liability Partnership from the 28th September 2020



P G BHAGWAT LLP
Chartered Accountants
LLPIN: AAT:9949

7. The consolidated unaudited financial results includes the interim financial information of one subsidiary which have not been reviewed/audited by their auditors and have been furnished to us by the management, whose interim financial information reflect total assets of Rs. 13.59 crs as at 30th Sept 2020 and total revenue of Rs. 10.68 crs and Rs.8.65 crs, total net profit/(loss) after tax of Rs.0.16 crs and Rs. 0.09 crs, total comprehensive income of Rs .0.16 crs and Rs. 0.09 crs for the period from 1st April 2020 to 30th Sept 2020 and for the quarter ended 30th Sept 2020 respectively and cash flows (net) of Rs. (1.28) crs for the period from 1st April 2020 to 30th Sept 2020 as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

P G BHAGWAT LLP
Chartered Accountants
FRN : 101118W / W100682



Sanjay Athavale
Partner
Membership No. 83374
Pune : 30.10.2020



UDIN : 20083374AAAA FT 9013