Date: 13th August 2021

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 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 including amendments thereunder and in continuation of earlier communication vide letter dated 9th August 2021, we hereby inform that the Conference Call for Investors and Analysts was held on Friday, 13th August 2021 at 05:00 p.m. IST to discuss on the Un-Audited Financial Results of the Company for the quarter ended 30th June 2021.

The presentation discussed at the Conference Call is enclosed herewith. The same has been uploaded at the website of the Company viz. www.koel.kirloskar.com.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited

Smita Arun Raichurkar
Digitally signed by Smita Arun Raichurkar
Date: 2021.08.13 18:57:39 +05'30'

Smita Raichurkar
Company Secretary

Kirloskar Oil Engines Limited
A Kirloskar Group Company

Regd. Office: Laxmanrao Kirloskar Road,
Khadki, Pune, Maharashtra - 411 003 India.
Tel: +91 (20) 25810341, 66084000
Fax: +91 (20) 25813208, 25810209
Email: info@kirloskar.com | Website: **www.koel.kirloskar.com**
CIN: L29100PN2009PLC133351



Kirloskar Oil Engines

Earnings Call Q1 FY 2021-22

13th August 2021

All amounts are in "₹ Crore" except otherwise stated; rounded off to the nearest decimal

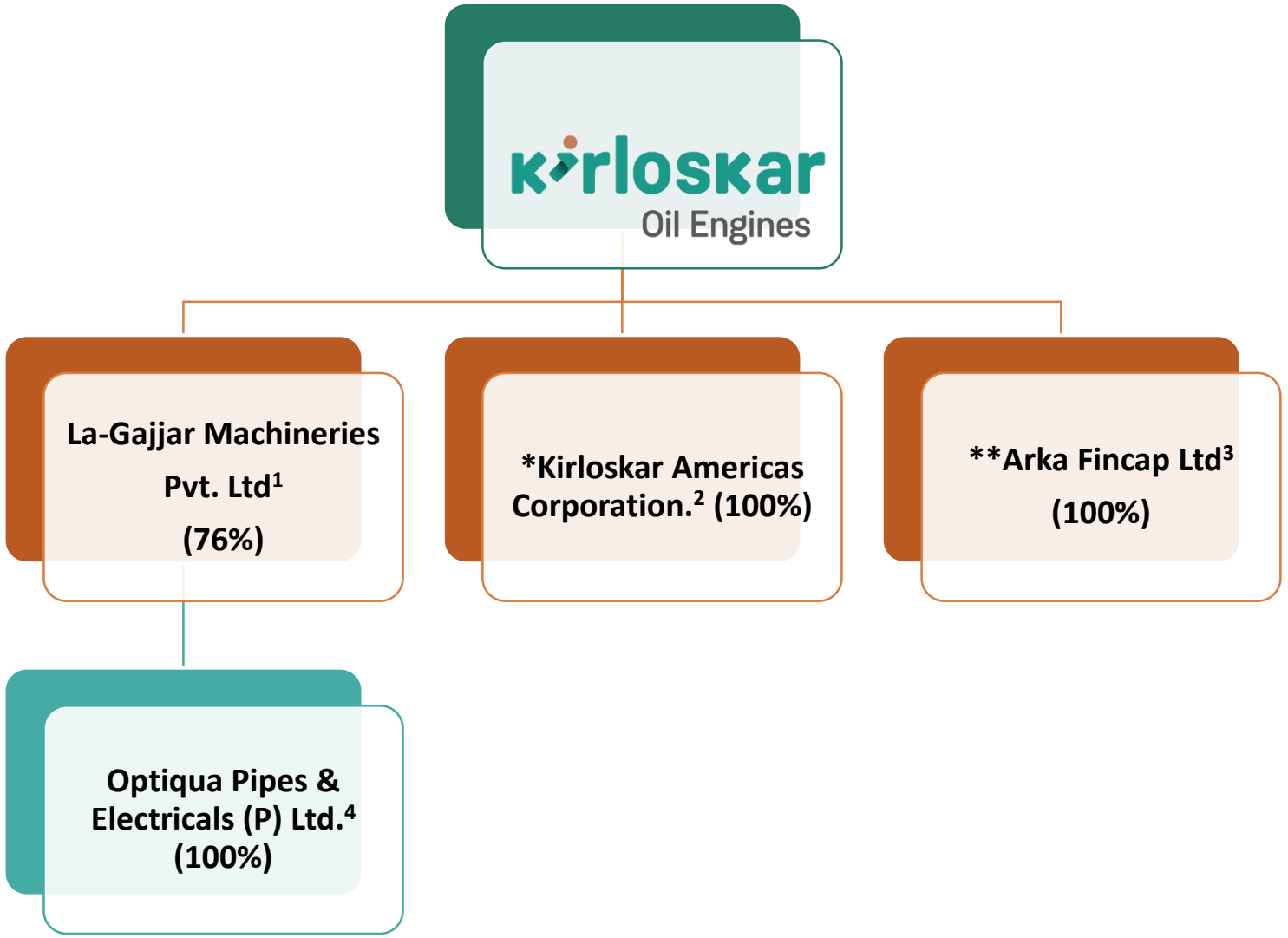
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Statements in this presentation, particularly those which relate to management's views and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.

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KOEL GROUP



[1] with effect from 1st August 2017
[2] with effect from 1st July 2015
[3] with effect from 20th April 2018
[4] with effect from 19th February 2021

*Formerly known as KOEL Americas Corp
**Formerly known as Kirloskar Capital Ltd

CONTENT

- KIRLOSKAR- LIMITLESS
- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW
- STRATEGIC DIRECTION

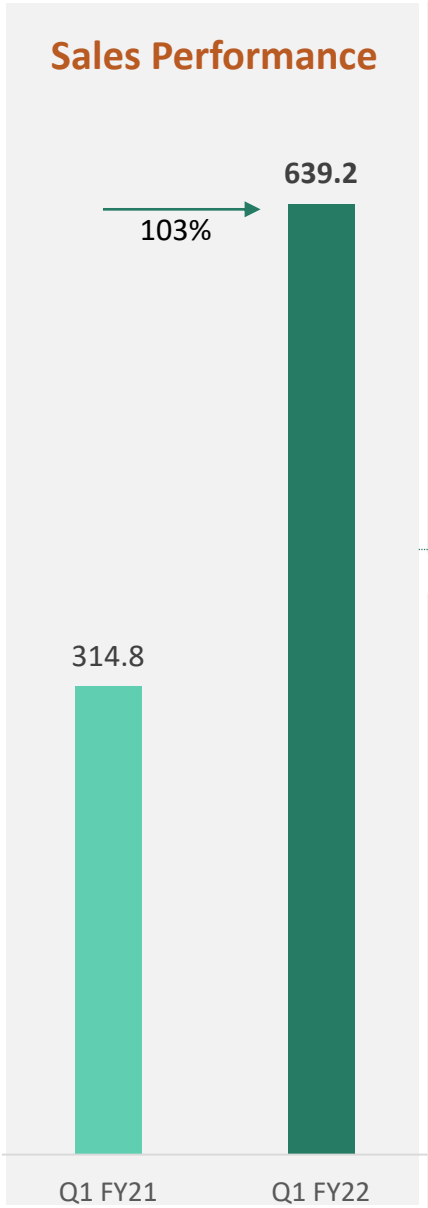
- Brand Kirloskar refreshed with new logo and new business vision: limitless; on 16th July
- Campaign Brand refresh has been launched through TV, newspaper and social media
- What stays at the core of the group, for last 130 years, is to work towards progress of the society
- At Kirloskar we are engineered to always think about our customer, about society and what's next
- When you think about what's next, you inevitably unleash innate potential

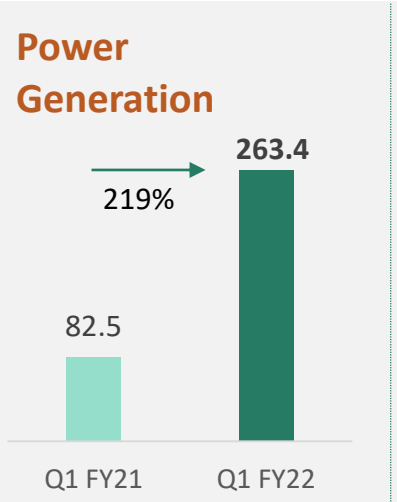
It is this potential that makes opportunities limitless

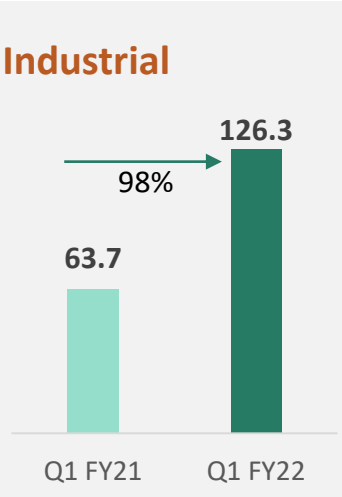
CONTENT

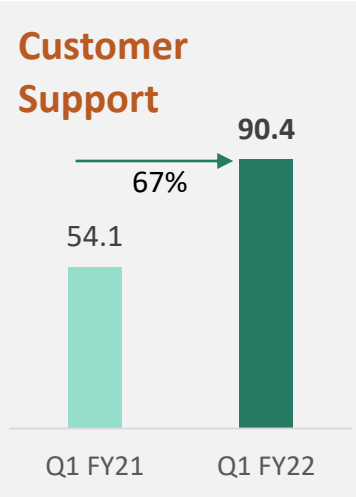
- KIRLOSKAR- LIMITLESS
- **BUSINESS OVERVIEW**
  - SALES HIGHLIGHTS
  - BUSINESS PERFORMANCE- DIVISION-WISE
- FINANCIAL OVERVIEW
- STRATEGIC DIRECTION

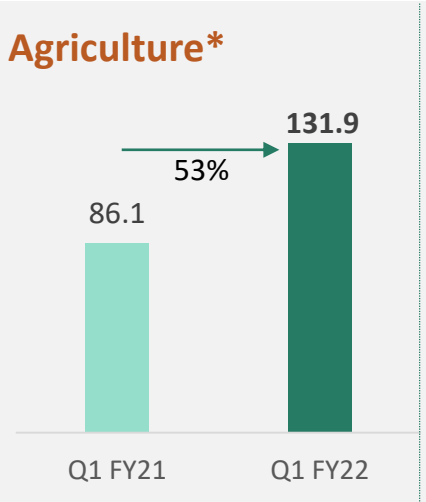
SALES HIGHLIGHTS

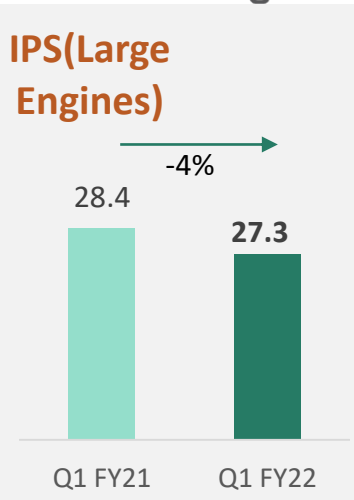


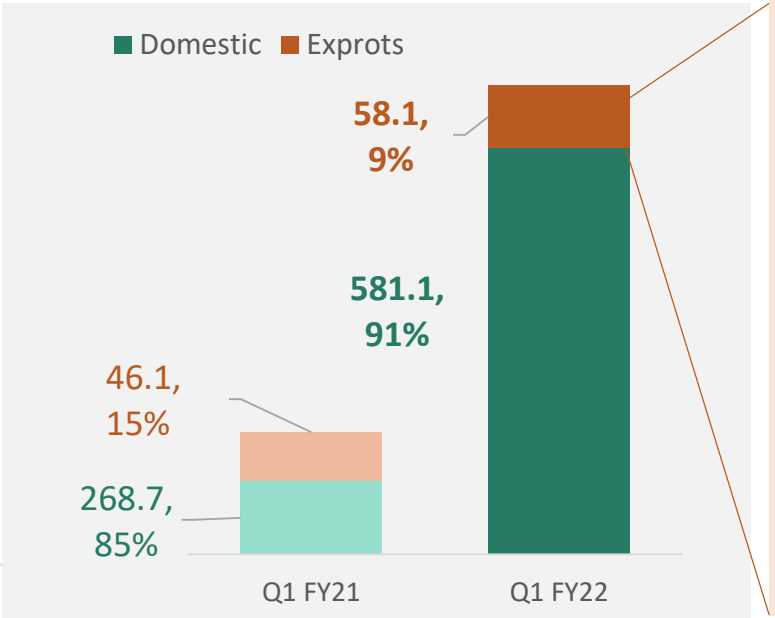


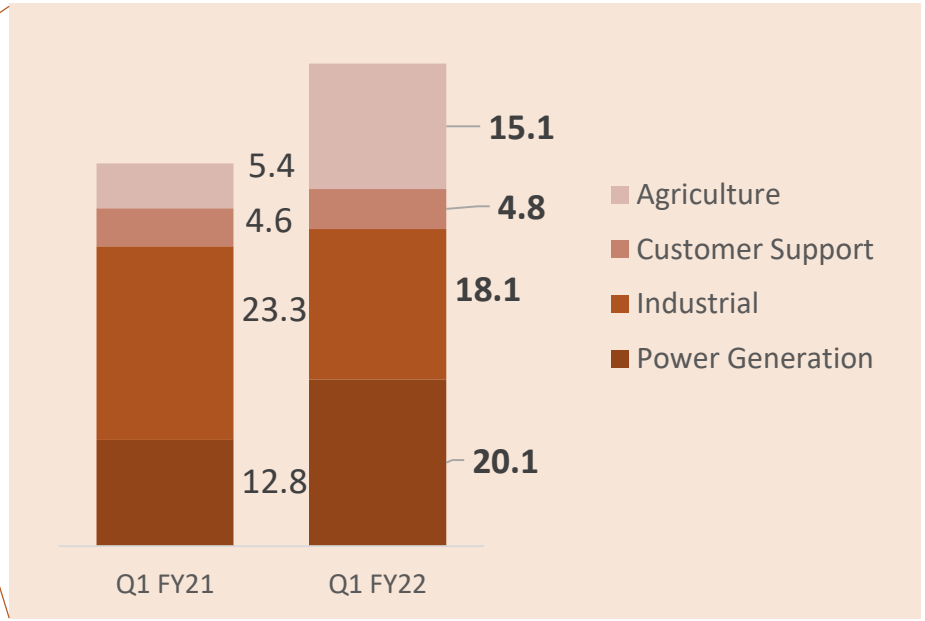












*Agriculture includes Agri Crop Irrigation, Farm Mechanisation and 'Tractor Spares and Oil' Business divisions

BUSINESS PERFORMANCE

POWER GENERATION BUSINESS

- Business has registered growth at 249% Y-o-Y
- Ultra High Horsepower (UHHP*) segment registered good growth.
- Won good orders from health care infra segment
- *i*-Green continues to be the market leader with significant improvements in IoT activations and is getting encouraging response from customers

*UHHP – 750 kVA and above

AGRI BUSINESS

- Strong growth witnessed in electric pumps; one of the fastest growing segments
- Mini monobloc electric pumps range on track as per expectations, submersible pumps sales growing well
- Diesel engines based pump sets registered growth
- Power tiller sales at Q1 FY22 838 Units vs Q1 FY21 1,133 Units, however retail market sales grew Y-o-Y
- Power Weeder sales grew at 81% Y-o-Y
- Developed new range of power tillers with “K-cool” engines (LV 12, LV 15); (Indigenously developed technology of engine in power tillers industry in India)

BUSINESS PERFORMANCE

INDUSTRIAL BUSINESS*

- Sales grew in all business segments
- BSIV smooth ramp up with all OEMs
- Kirloskar Engines based Firefighting Pump sets range sales started in Q1 FY22
- All sub segments of Industrial engines have shown growth Y-o-Y
- Good demand continuing from the Tractor segments; sales more than doubled Y-o-Y

* Industrial Business includes tractor engines, construction equipment, earth moving, fluid handling(fire fighting) and others.

CUSTOMER SUPPORT BUSINESS

- On the back of increased service load & secondary consumption, sales shown good growth
- Digitization and Long term Customer Retention drives of last few years reaped benefits during COVID -19 Crisis
- Continue to maintain healthy Customer Delight Index (CDI) score
- Direct online AMC 'KOEL Bandhan' is gaining momentum
- Soft loans were made available to needy service dealers for business continuity of customer services

BUSINESS PERFORMANCE

EXPORT BUSINESS

- USA : First supplies of FM/UL* approved engines to leading global OEMs; local package assembly on base frame to meet OEM requirements
- Business has registered good growth Y-o-Y.
- PG and Agri segments witnessing high demand and high growth Y-o-Y.
- Fire Fighting Engines are well accepted in UAE market

* FM – Factory Mutual, UL- Underwriter's laboratories

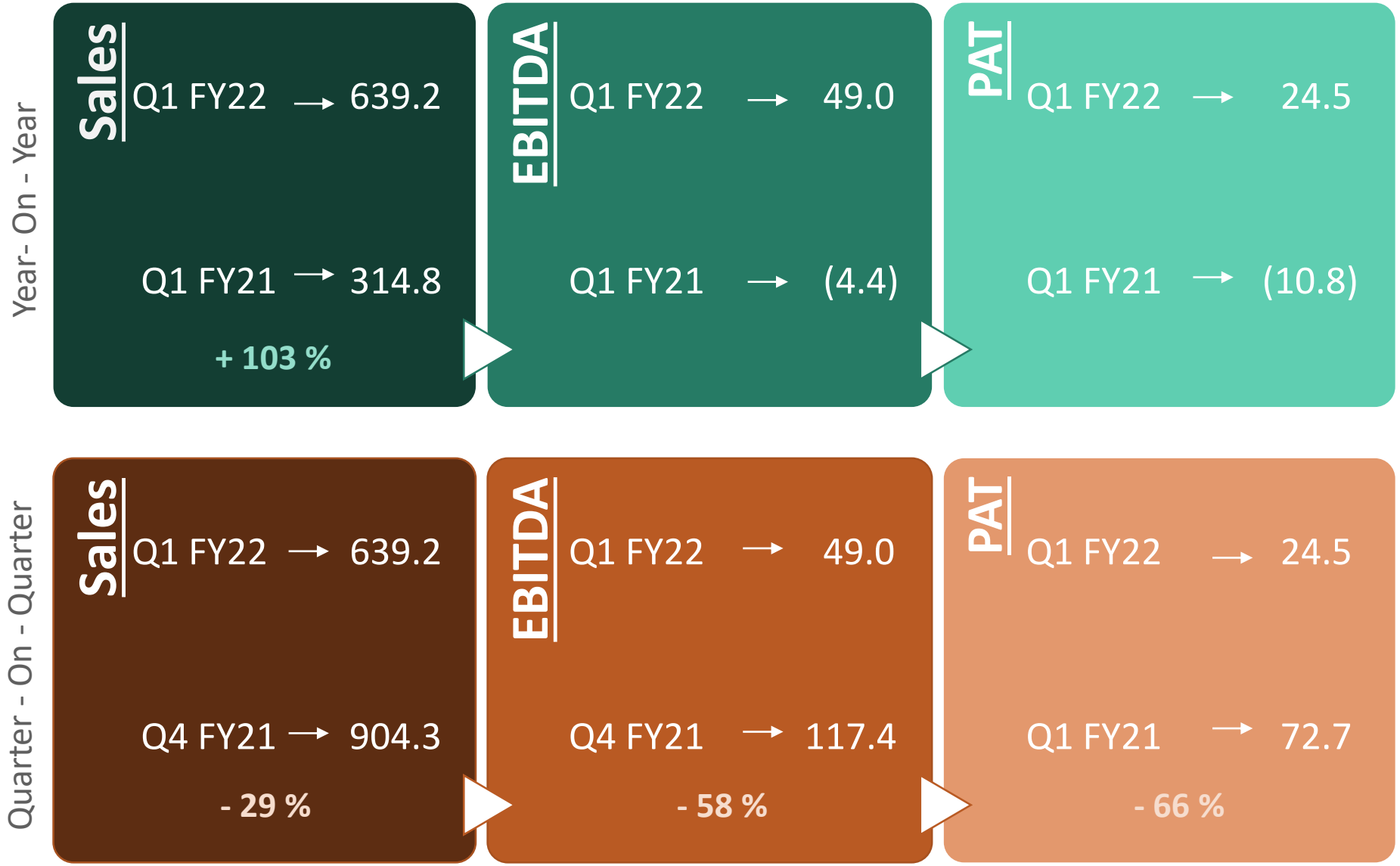
LARGE ENGINES BUSINESS

- Large Engine business saw a marginal decline of 4% Y-o-Y. Closure of many customer premises due to second wave of COVID -19 impacted project execution
- In fisheries boat engine segment, market share maintained at 25%
- Healthy order board in excess of ~ Rs 100 Cr

CONTENT

- KIRLOSKAR- LIMITLESS
- BUSINESS OVERVIEW
- **FINANCIAL OVERVIEW**
  - STANDALONE FINANCIAL PERFORMANCE
  - PERFORMANCE OF SUBSIDIARIES'
  - CONSOLIDATED FINANCIAL PERFORMANCE
- STRATEGIC DIRECTION

RESULTS SNAPSHOT - STANDALONE



Notes: 1)EBITDA excludes other income and exceptional items 2)Figures of previous year regrouped to make it comparable.

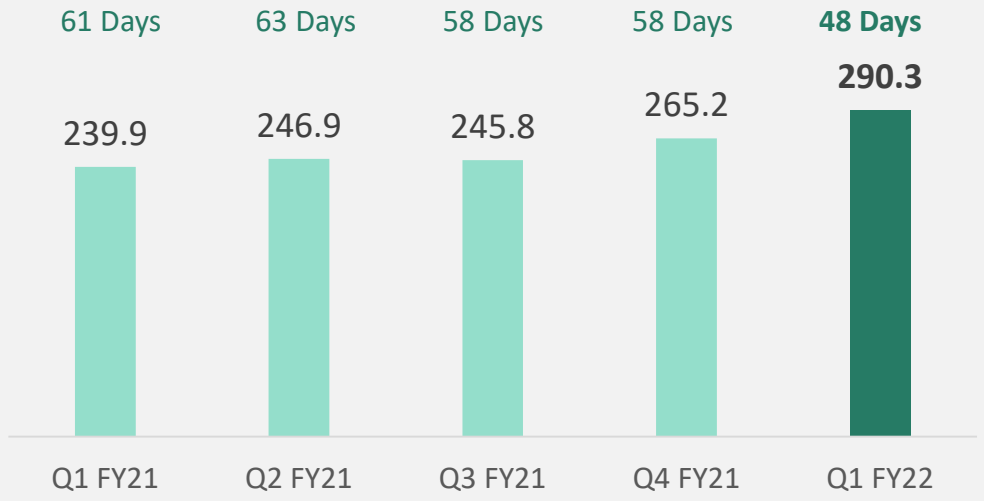
PROFIT AND LOSS STATEMENT - STANDALONE

Q4 FY21	Particulars	Q1 FY21	Q1 FY22	Y-o-Y ∂ Amt	Y-o-Y ∂ %
904.3	**Net Sales**	**314.8**	**639.2**	**324.4**	**103%**
10.3	Other Operating Income	5.6	8.1	2.5	44%
914.6	**Revenue from operations**	**320.4**	**647.2**	**326.8**	**102%**
592.5	Raw Material	204.4	445.8	241.4	118%
56.7	Employee Costs	44.6	48.9	4.3	10%
147.9	Other Expenses	75.8	103.6	27.8	37%
117.4	**EBITDA**	**(4.4)**	**49.0**	**53.4**	**NA**
12.8%	**EBITDA Margin (%)**	**-1.4%**	**7.6%**	**NA**	**9.0%**
8.2	Other Income	4.7	5.7	1.0	19%
17.0	Depreciation	14.8	19.6	4.8	33%
1.3	Interest	0.5	1.6	1.1	204%
(8.4)	Exceptional Item*	-	-	-	-
98.9	**PBT**	**(15.0)**	**33.5**	**48.5**	**NA**
26.2	Tax	(4.2)	9.0	13.2	NA
72.7	**PAT**	**(10.8)**	**24.5**	**35.3**	**NA**
7.9%	**PAT Margin (%)**	-3.4%	**3.8%**	**NA**	**7.2%**

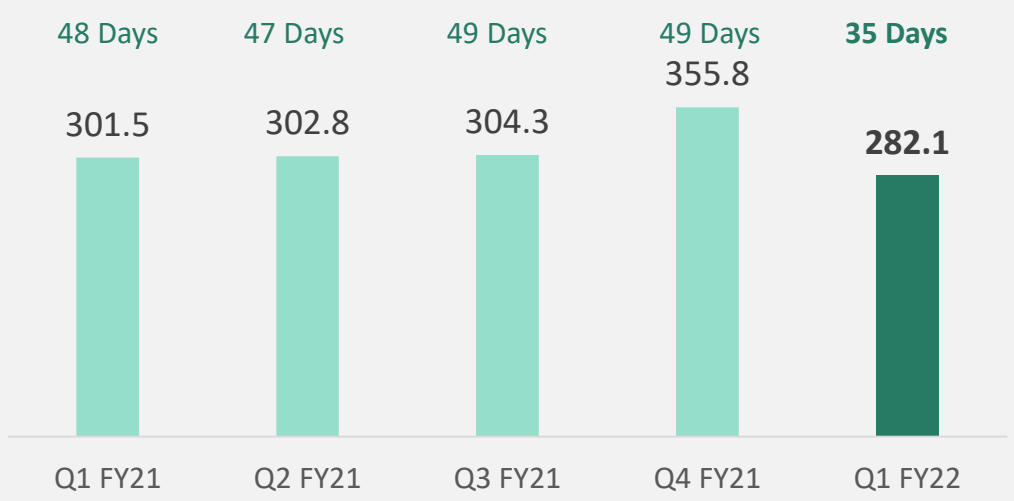
* Q4 FY 21 Exceptional item represents VRS expense

WORKING CAPITAL & NET CASH POSITION

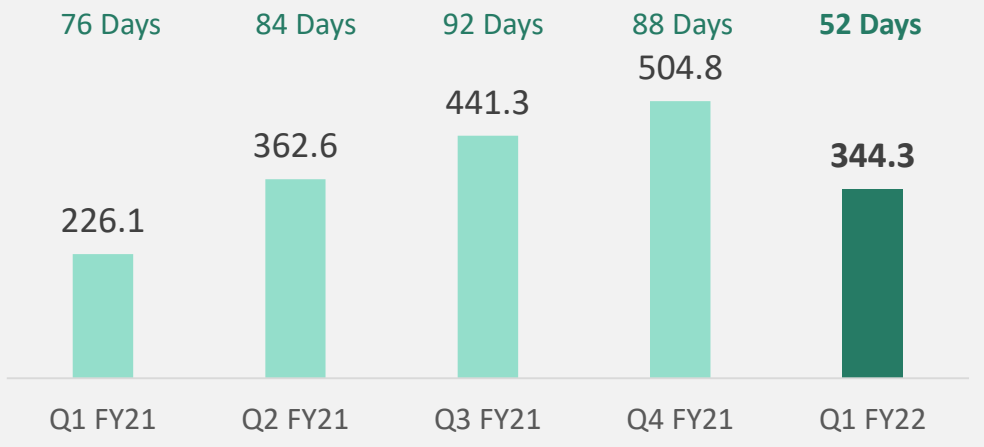
Inventories



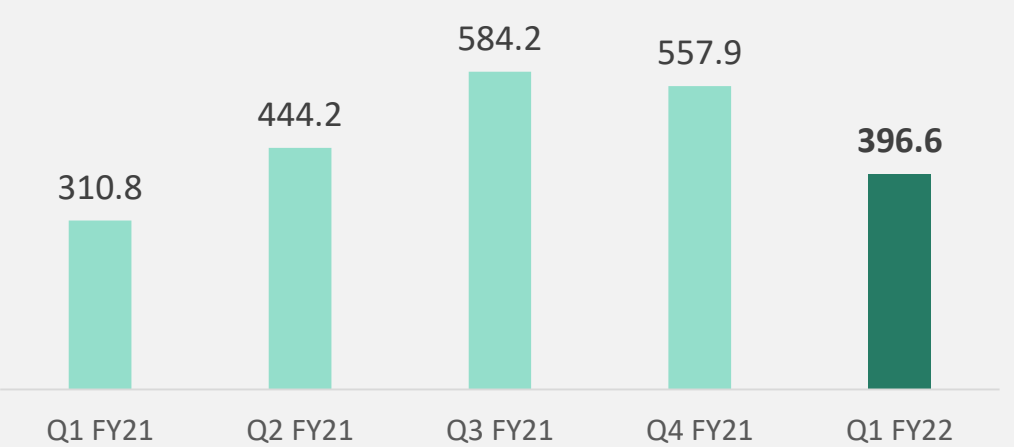
Receivables



Payables



Nat Cash and Cash Equivalents*



Notes :

1) No. of days have been calculated using average value and TTM (Trailing twelve months method)
2) *Above Cash position excludes unclaimed dividend and is net of debt; includes company's treasury investments (liquid & money market funds)

PERFORMANCE OF SUBSIDIARIES

La-Gajjar Machineries Pvt Limited ("LGM")*

- Sales at 141.2 Cr in Q1 FY22; growth of 64% Y-o-Y
  - All segments delivered growth in Q1 (except Govt.)
- EBITDA margin for Q1 FY22 is at 5.6%
- LGM has formed a wholly owned subsidiary i.e. Optiqua Pipes and Electricals Private Limited in February 2021 to tap the market opportunities in the "allied segment" and adjacencies in the Water Management Solution Vertical
- Optiqua has started Commercial sales in Q1 FY22

*Consolidated

Kirloskar Americas Corporation# ("KAC")

- Sales at 8.9 Cr (USD 1.2 Million) in Q1 FY22; growth of 337% Y-o-Y
- Growth in Q1 is led by Agri segment sales in Central America followed by gensets and air-cooled industrial engine sales in Latin America
- Growth is visible in gensets and G Drive engines in the US market in FY22

#Formerly known as KOEL Americas Corp

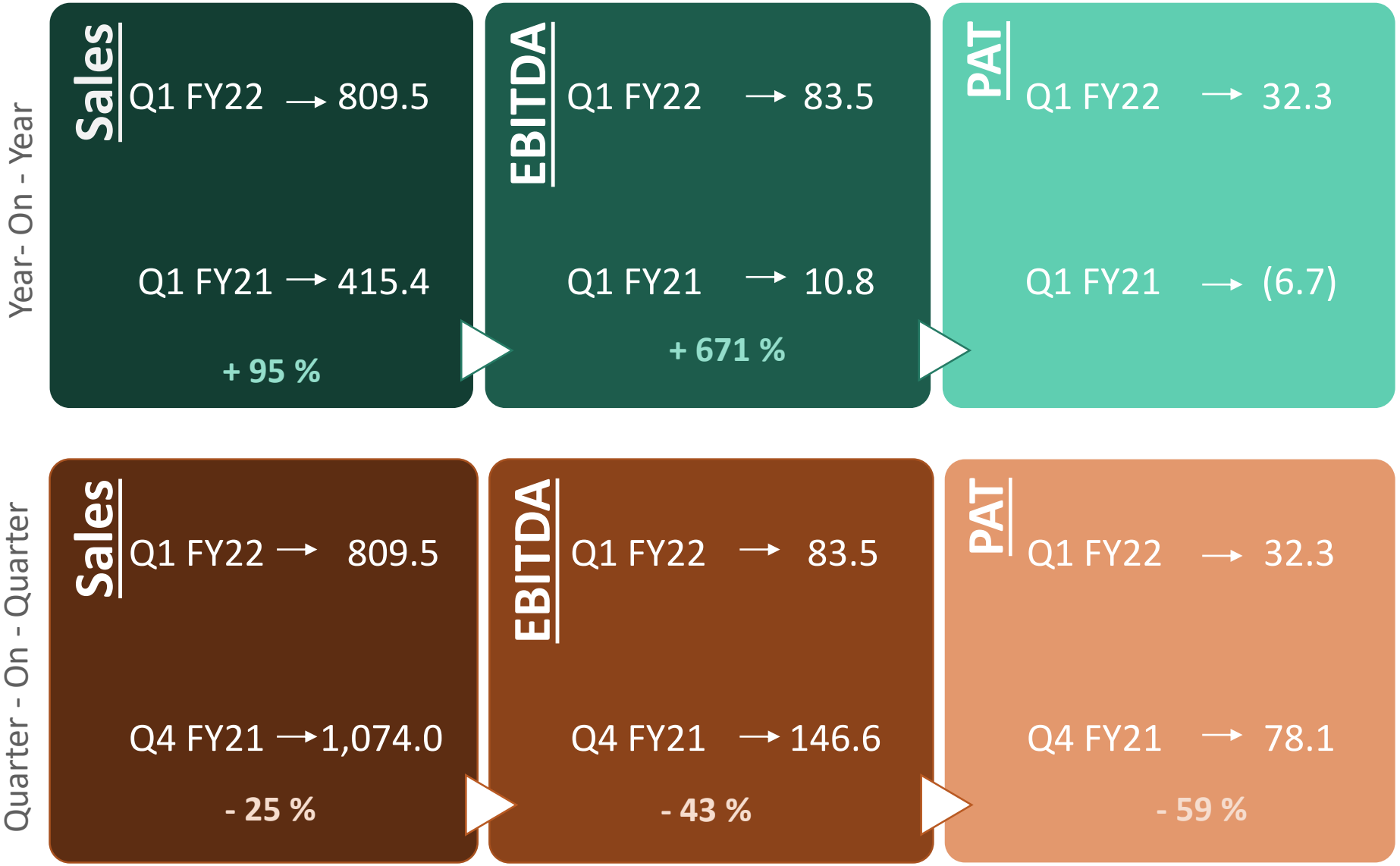
PERFORMANCE OF SUBSIDIARIES

**Arka Fincap Limited

- KOEL infused Rs 50.0 Cr of share capital in Arka in Q1 FY22. Total Investment in Arka as on 30th June 21 stood at Rs 701.3 Cr
- Revenue from operations at 37.8 Cr in Q1 FY22; growth of 127% Y-o-Y
- PAT at Rs 6.3 Cr in Q1 FY22; growth of 76% Y-o-Y
- Debt Rating: Rs 965 Cr
  - 700 Cr Loans — CRISIL AA-/ Stable
  - 195 Cr NCD — CRISIL AA-/Stable
  - 70 Cr NCD — INFOMERICS AA-/Stable
- Total Debt as on 30th June 21 ~Rs 715.2 Cr vs 665.7 as on 31st March 21
- Total AUM* as on 30th June 21 Rs 1285 Cr (1124 Cr as on 31st March 21) includes:
  - Loan book- Rs 1190 Cr
  - CP – Rs 50 Cr
  - NCD Rs. 45 Cr
- No Asset Liability mismatch

*Excludes Treasury assets
**Formerly known as Kirloskar Capital Ltd

RESULTS SNAPSHOT - CONSOLIDATED



Notes: 1)EBITDA excludes other income and exceptional items 2)Figures of previous year regrouped to make it comparable.

PROFIT AND LOSS STATEMENT - CONSOLIDATED

Q4 FY21	Particulars	Q1 FY21	Q1 FY22	Y-o-Y ∂ Amt	Y-o-Y ∂ %
1,074.0	**Net Sales**	**415.4**	**809.5**	**394.1**	**95%**
13.1	Other Operating Income	**7.0**	**11.3**	4.3	62%
1,087.2	**Revenue from operations**	**422.3**	**820.8**	**398.5**	**94%**
664.3	Raw Material	261.0	532.4	271.4	104%
74.4	Employee Costs	57.3	64.9	7.6	13%
201.8	Other Expenses	93.3	140.0	46.7	50%
146.6	**EBITDA**	**10.8**	**83.5**	**72.7**	**671%**
13.5%	**EBITDA Margin(%)**	**2.6%**	**10.2%**	**NA**	**7.6%**
7.2	Other Income	5.0	6.3	1.3	26%
22.8	Depreciation	19.9	25.5	5.6	28%
16.9	Interest	5.2	20.4	15.2	294%
(8.4)	Exceptional Item*	-	-	-	-
105.8	**PBT**	**(9.2)**	**43.9**	**53.1**	**NA**
27.7	Tax	(2.5)	11.6	14.1	NA
78.1	**PAT**	**(6.7)**	**32.3**	**39.0**	**NA**
7.2%	**PAT Margin (%)**	**-1.6%**	**3.9%**	**NA**	**5.5%**

* Q4 FY 21 Exceptional item represents VRS expense

SEGMENT RESULTS - CONSOLIDATED

Q4 FY21	Particulars	Q1 FY21	Q1 FY22	Y-o-Y ∂ Amt	Y-o-Y ∂ %
	SEGMENT REVENUE				
818.3	Engines	267.5	567.8	300.3	112%
186.7	Electric Pumps	103.6	174.8	71.2	70%
33.0	Financial Services	16.6	37.7	21.1	128%
48.7	Others	34.1	40.5	6.4	19%
0.5	Unallocated	0.6	0.1	(0.5)	NA
1,087.2	**REVENUE FROM OPERATIONS**	**422.3**	**820.8**	**398.5**	**94%**
	SEGMENT RESULTS				
106.4	Engines	(14.6)	33.6	48.2	NA
4.5	Electric Pumps	2.3	4.6	2.3	106%
19.9	Financial Services	7.8	24.6	16.8	216%
(0.4)	Others	(0.8)	(0.5)	0.3	NA
0.5	Unallocated	1.3	2.1	0.8	63%
131.0	**Total**	**(4.1)**	**64.3**	**68.4**	**NA**
	Less:				
(8.4)	Exceptional Item	-	-	-	-
16.9	Finance Cost	5.2	20.4	15.2	294%
105.8	**Profit Before Tax**	**(9.2)**	**43.9**	**53.1**	**NA**

Notes:
1) Electric Pumps segment includes LGM(Consolidated) and Electic pumps segment of Agri division of KOEL
2) Financial Services division represents ARKA
3) "Others" includes Farm Mechanization and Tractor spares & oil

CONTENT

- KIRLOSKAR- LIMITLESS
- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW
- **STRATEGIC DIRECTION**

STRATEGIC DIRECTION - KOEL

- Cleaner engines – most advanced emission norms, natural gas, biogas engines, petrol, hybrid industrial
- Leverage High Horsepower segment presence – beyond backup power into prime / cogeneration
- Grow electric segment – electric pumps, electric motors, battery-based back-up
- Offer quality products in allied spaces in water management solutions – control panels , flat cables, column pipes
- Enhance product range and applications into small farm mechanization and implements space to leverage existing channel strength
- Closely watch advancements in next gen energy storage technologies such as fuel cells and identify KOEL role
- Leverage the refreshed Brand image of Kirloskar Limitless

KOEL has worked out a plan to reduce engine dependent topline - from current 80% to 60% in 4-5 years timeframe

kirloskar
Oil Engines

THANK YOU