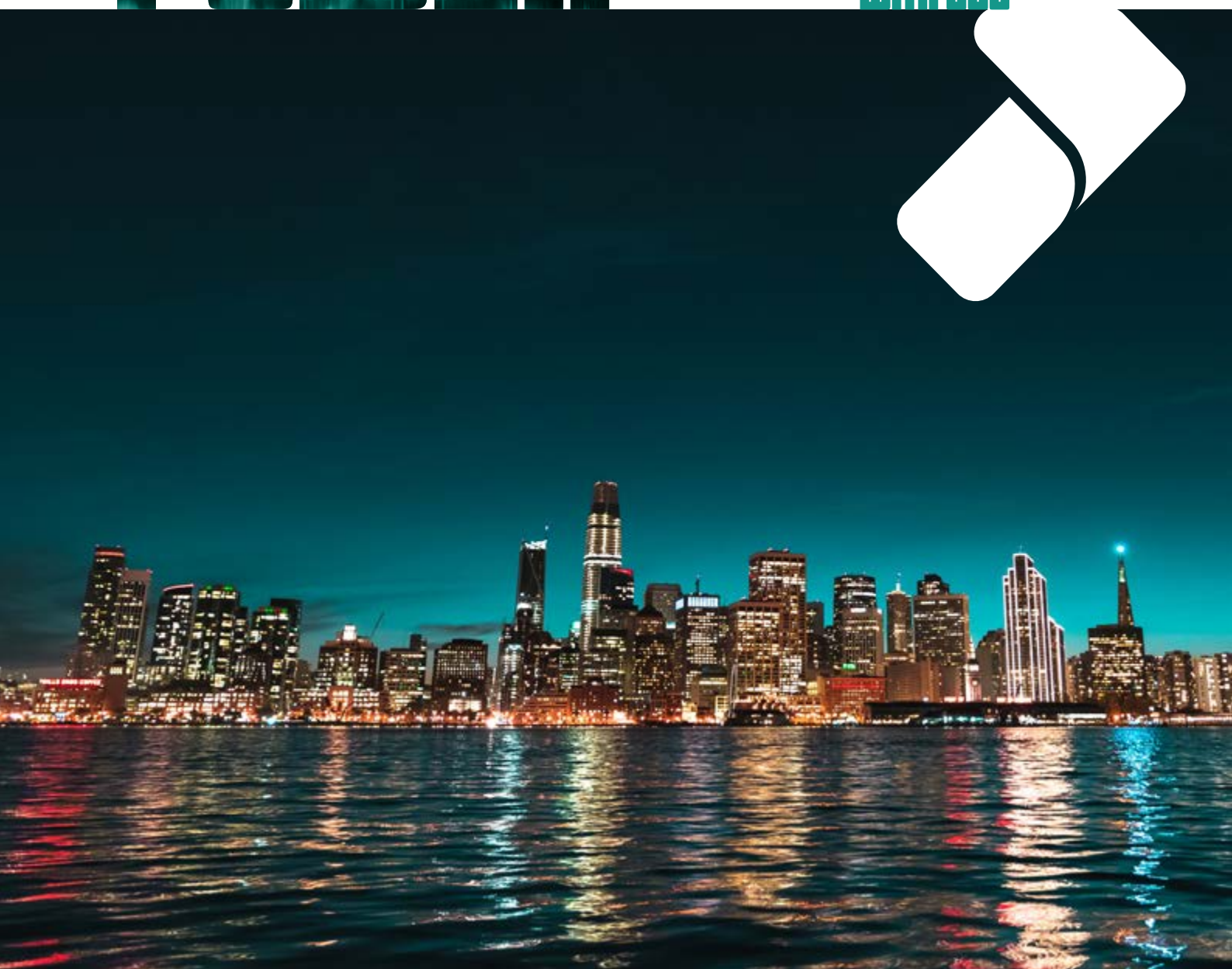
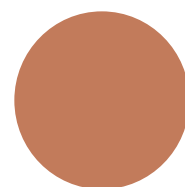


MAY THE  
POWER ALWAYS BE  
WITH YOU



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## Performance in FY 2022-23

Gross Sales

₹ 4,073 Crore

EBITDA

₹ 427 Crore

PBT

₹ 364 Crore

PAT

₹ 270 Crore

Standalone performance - the numbers are rounded off to the nearest decimal.

For more information, please, visit our website:



## About the report

We are pleased to present our Annual Report, which includes voluntary information to the extent available to us, in accordance with the reporting framework developed and designed by International Integrated Reporting Council (IIRC). This report is primarily intended to address the information requirements of investors (our equity and prospective investors). Our endeavour is to present this information in a manner that is also relevant to all the key stakeholders. This report also aligns with the following:

- › The Companies Act, 2013
- › Indian Accounting Standards
- › The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### Scope and boundary

This report covers information on all business operations of Kirloskar Oil Engines Limited, including disclosures through six capitals as defined by International Integrated Reporting Council (IIRC). This report describes our business model, significant risk, opportunities and overall performance and related outcomes. The parameters for the financial capital covered in this report are in relation to 'Kirloskar Oil Engines Limited' on a standalone basis.

### Reporting period

The reporting period for the Annual Report is 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023. However, certain portions of the report provide facts and numbers from prior years in order to give readers a complete picture.

### Auditors' reports

To ensure the integrity of facts and information, the financial statements are

audited by G. D. Apte & Co., Chartered Accountants and the 'Independent Auditor's Report' has been duly incorporated as part of this report.

### Stakeholder feedback

Stakeholders' constructive participation and feedback are welcomed and appreciated.  
Email: [investors@kirloskar.com](mailto:investors@kirloskar.com)  
Website: [www.kirloskaroilengines.com](http://www.kirloskaroilengines.com)

### Forward-looking statements

This report contains forward looking statements that describe our expectations, based on reasonable assumptions and past performance. These are subject to change in light of developments in the industry, geographical market conditions, government regulations, laws and other incidental factors. These statements must not be used as a guarantee of our future performance, as the underlying assumptions could change materially.

### Our Capitals



Financial Capital



Manufactured Capital



Intellectual Capital




Human Capital



Social and Relationship Capital



Natural Capital

Mark 'Kirloskar' used in any form as prefix or suffix and mark  are owned by Kirloskar Proprietary Limited and Kirloskar Oil Engines Limited is the permitted user.

# Corporate information

## BOARD OF DIRECTORS

**Atul Kirloskar**  
Executive Chairman upto 31<sup>st</sup> March 2023  
and Non-Executive Non-Independent  
Director & Chairman w.e.f. 1<sup>st</sup> April 2023

**Gauri Kirloskar**  
Managing Director

**Rahul Kirloskar**

**Mahesh R. Chhabria**

**Vinesh Kumar Jairath**

**M. Lakshminarayan**  
upto 11<sup>th</sup> August 2022

**Satish Jamdar**

**Sunil Shah Singh**

**Kandathil Mathew Abraham**

**Dr. Shalini Sarin**

**Yogesh Kapur**

**Purvi Sheth**

**Arvind Goel**  
Additional Director w.e.f. 19<sup>th</sup> May 2023

## CHIEF FINANCIAL OFFICER

**Anurag Bhagania**  
w.e.f. 22<sup>nd</sup> September 2022

## COMPANY SECRETARY AND HEAD LEGAL

**Smita Raichurkar**

## STATUTORY AUDITORS

**G. D. Apte & Co., Chartered Accountants**

## SECRETARIAL AUDITOR

**Mr. Mahesh J. Risbud,**  
Practicing Company Secretary

## BANKERS

State Bank of India

Bank of Maharashtra

HDFC Bank Limited

ICICI Bank Limited

HSBC Limited

## REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited

Block No. 202, 2<sup>nd</sup> Floor,

'Akshay' Complex, Near Ganesh Temple,

Off Dhole Patil Road, Pune- 411 001

Ph. No. 020 - 26161629 / 26160084

## REGISTERED OFFICE

Laxmanrao Kirloskar Road, Khadki,

Pune - 411 003, Maharashtra.

Ph. No. 020 - 25810341

www.kirloskaroilengines.com

## LOCATION OF FACTORIES

Pune, Kagal, Nasik, Rajkot and Bhare

# Decade at a glance

₹ in Crore (unless otherwise stated)											
Sr. No.	Particulars	Ind AS								Indian GAAP	
		2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
1	Gross Sales	4,073	3,268	2,664	2,841	3,117	2,860	2,818	2,587	2,641	2,475
2	Net Sales	4,073	3,268	2,664	2,841	3,117	2,804	2,614	2,406	2,473	2,287
3	Profit Before Tax	364	263	231	225	336	222	252	205	205	243
4	Profit After Tax	270	208	170	170	225	150	174	165	143	178
5	Dividend (%)	250	200	200	200	250	250	250	250	250	250
6	Dividend per share (₹)	5	4	4	4	5	5	5	5	5	5
7	Dividend Amount	72	58	58	58	72	72	72	72	72	72
8	Earning Per Share (₹)	19	14	12	12	16	10	12	11	10	12
9	Book Value Per Share (₹)	161	148	137	126	123	113	112	100	93	88
10	Share Capital	29	29	29	29	29	29	29	29	29	29
11	Reserves and Surplus	2,303	2,111	1,954	1,801	1,746	1,608	1,588	1,415	1,313	1,238
12	Shareholders' Funds	2,332	2,139	1,983	1,830	1,775	1,637	1,617	1,444	1,341	1,267
13	Loan Funds	75	97	78	15	13	17	12	7	-	-
14	Total Capital Employed	2,407	2,236	2,061	1,845	1,788	1,654	1,629	1,451	1,341	1,267
15	Net Block	425	450	446	362	399	422	440	477	514	543

Till 30 June 2017 Excise duty was applicable and included in Gross sale  
All numbers are rounded off

CIN: L29100PN2009PLC133351

As a part of our constant endeavor to improve shareholder services, we have initiated a shareholders' satisfaction survey. Please spare a few minutes of your valuable time to fill this questionnaire. The Link is available on the Company's website viz. <https://www.kirloskaroilengines.com/shareholders-survey>



As society changes and progresses, we at Kirloskar keep up with the pace by constantly evolving. Our philosophy, which has been the foundation of our organisation for over 134 years, focuses on the progress of humanity.

# Limitless

We encourage our customers to boldly embrace the future by breaking free from convention and living up to their limitless potential.

Guided by our values, we have a vision that propels us towards an exciting future full of endless possibilities. With innovation as our driving force, we engineer solutions for tomorrow, always keeping human progress at the forefront. We strive to see beyond challenges and envision the unlimited potential that the future holds.

Being limitless also means a firm commitment to the values we live by: Innovative Thinking, Empathy, Collaboration, Integrity, Excellence, and Value Creation. By designing groundbreaking solutions, we create avenues for innovative services that address problems, generate

value for our customers and society, and hope to exceed their expectations. We operate with empathy and a strong commitment to moving forward together with our customers and partners because, together, we are limitless.

To the dreamers and the drivers of growth, we say-

## May the power always be with you

At Kirloskar Oil Engines, we believe that partnership powers progress. Progress of a company, of an industry and of a nation. As we partner various sectors that drive the economy, we do everything in our power to understand their unique requirements and anticipate emerging trends while consistently supporting them in their endeavours. We design, develop and build offerings that innovate new avenues of growth for industries, empowering them to be limitless.

### Powering life to be limitless

We understand that for life to be limitless, power is essential. The power to move. The power to change. The power to grow. Hence, as we look to the future, we continue to evolve our solutions to enable industries to harness this power. From engines that help the infrastructure sector bridge today with tomorrow to enabling manufacturing industries scale up. Our farm mechanisation equipment is made to empower farmers nurture a better yield. We instil peace of mind with

our firefighting solutions and ensure uninterrupted supply of power to hospitals and airports with our generator sets. We keep pace with the ever-changing world by innovating and adopting newer, cleaner and better technologies - from building combustion engine platforms that use natural gas, ethanol, methanol and biogas based systems to developing higher complex diesel engine systems. But at the heart of our offerings, lies an emphasis on service. We cater to our customers' varied needs, empowering them to unlock a future that is limitless.

By addressing the needs of a diverse pool of consumers, we tirelessly ensure that power stays with millions of citizens.



## Kirloskar Group

# Innovation that empowers and enriches

For more than 134 years, the Kirloskar Group has been a driving force of excellence and innovation.

At the heart of our group's story lies the iron plough. A century ago, our founder, Shri Laxmanrao Kirloskar, started his journey with a small bicycle repair shop in Belgaum, Karnataka, India. Over time, he transformed it into a modest machine tool workshop, manufacturing not only iron ploughs but also chaff cutters - just one example of the engineering innovations that would shape the group's future.

Today, our founder is celebrated as a pioneer of Indian industry and a notable

social reformer. Above all, he was an entrepreneur driven by a passion for innovation that improved people's lives. His enduring legacy provides employment to thousands in India and positively impacts millions of lives, both in India and around the globe.

Today, Kirloskar is recognised as the leader in castings, diesel engine manufacturing, backup power solutions, pneumatic packages, and cooling solutions, serving as a cornerstone for various industries.

With a trail of pioneering achievements, we constantly innovate solutions that defy conventions and unlock a boundless future.

Our group of companies actively operates across diverse sectors, including agriculture, manufacturing, food and beverage, oil and gas, infrastructure, and real estate. The sustainability and profitability of these businesses can largely be attributed to the core values woven into our foundation.

**134+** Years  
Of engineering excellence

**05**  
Listed companies

**₹ 20,320 crore**  
Combined market cap\*

**₹ 8,439 crore**  
Combined net worth of the Group\*

**6,800+**  
Employees across the group companies

\*Market cap based on closing market price of 31<sup>st</sup> March, 2023

\*Listed companies include Kirloskar Ferrous Industries Ltd., Kirloskar Industries Ltd., Kirloskar Oil Engines Ltd., Kirloskar Pneumatic Company Ltd. and Indian Seamless Tubes Ltd. (ISMT).



## KOEL at a glance

# Powering a limitless future

Kirloskar Oil Engines Limited (KOEL) is one of the world's major engine manufacturers, specialising in products that serve a wide range of industries.

We are a part of the esteemed Kirloskar Group which has a legacy that spans over a century. Our diverse offerings include indigenous engines for gensets, industrial segments like construction, railways, marine, defence, agriculture and others catering to an extensive range of customers. We also offer products like pumps, farm mechanisation equipment, motors and other allied products.

Our product range spans a broad spectrum of engines, ranging from 2.5HP to 1500HP engines to fuel agnostic gensets with an impressive power output of 2.8 kVA to 3000 kVA

Our exceptional engineering capabilities, underpinned by our cutting-edge research centre, enable us to continuously create unique value propositions for our customers through novel product offerings. Our cutting-edge manufacturing facilities are complemented by our skilled workforce and an extensive service and distribution network that allow us to cater to customers worldwide.



**76+**  
Years of legacy\*

**8**  
Manufacturing facilities\*\*

**2,292**  
Employees on payroll

**₹ 5,701 crore**  
Market capitalisation#

\* Including merger and de-merger

\*\* Including subsidiaries

# Based on closing market price on  
March 31,2023



# OUR VALUES

EXCELLENCE



INTEGRITY



COLLABORATION



EMPATHY



VALUE CREATION



INNOVATIVE THINKING



# VISION & MISSION

ARE THE VALUES THAT PROPEL OUR VISION WHERE

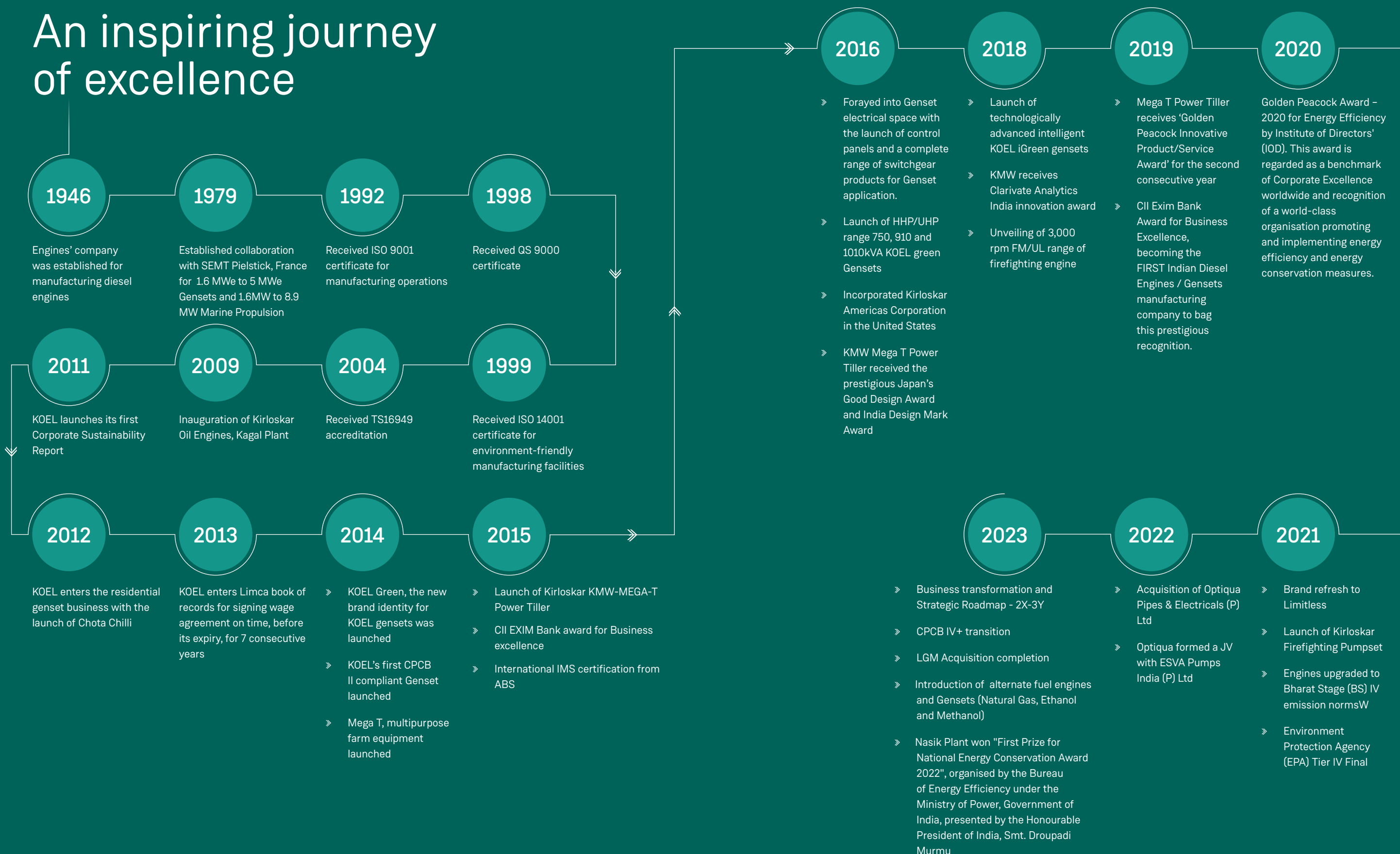
**WE POWER A CARING, PROSPEROUS  
AND SUSTAINABLE FUTURE.**

THIS VISION PROPELS US ON A MISSION WHERE

**WE ENGINEER SOLUTIONS TO  
ENABLE OUR CUSTOMERS TO LIVE  
THEIR LIMITLESS POTENTIAL.**

# Milestones

## An inspiring journey of excellence





## Business overview – products and customer segments

# Wide canvas of operations

We offer a comprehensive range of bespoke products and solutions that cater to the diverse needs and preferences of our esteemed customers. Our areas of expertise encompass power generation and industrial solutions for railways, defence, marine, infrastructure and other nation building segments, water management solutions and farm mechanisation — all of which have earned us a sterling industry reputation owing to their exceptional functionality, durability and performance. We operate through various product segments that are dedicated to delivering optimal value and superior quality to our valued clients across the industry.

### B2B business segment

#### Power Generation

Engines, Gensets, Backup Solutions, across a wide range of power output from 2 kVA – 3000kVA

#### Downstream usage

Across industries to provide power and backup electricity in Data Centres, Healthcare facilities, Emergency Power Operations, Power in remote locations, Reefer containers etc.

#### Customer segments



Residential gensets



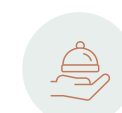
Telecom



Infrastructure



Realty



Hospitality



Banks



Defence



Retail



Healthcare



Manufacturing



Data centre





B2B business segment

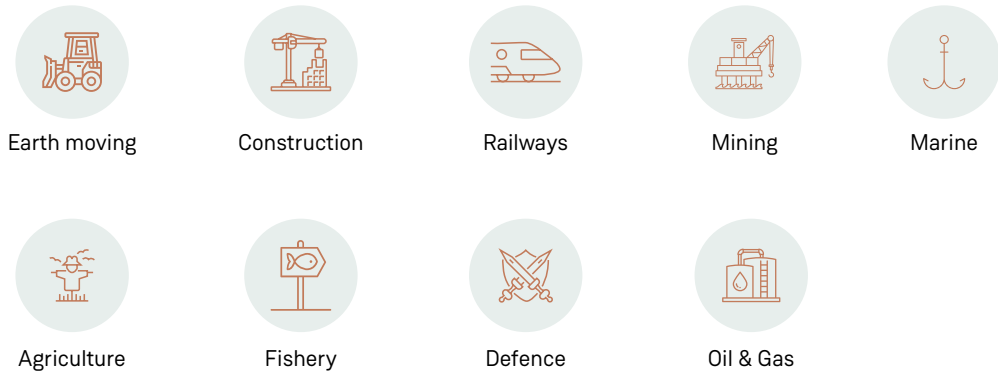
Industrial

Products from 20 hp to 750 hp in the Industrial Engine space.

Downstream usage

Used in more than 85 industrial applications across various sectors including earth moving, construction, material handling, firefighting, agriculture and other niche applications.

Customer segments



Distribution and Aftermarket

The distribution and aftermarket business unit aims to provide excellent customer support, expand market reach, and offer a comprehensive range of solutions to meet the diverse needs of customers across industries. The newly created business unit consists of the following sub-units:

Customer support and service

Through this team, we focus on providing exceptional service to customers. Our team is responsible for addressing customer inquiries, resolving issues, and ensuring customer satisfaction throughout their association with us.

Retail channel

This channel specialises in distributing spare parts, oil and other allied products. It serves as a crucial link between suppliers and end-users, ensuring availability and accessibility.



B2C business segment

Water Management Solutions

Consists of products in the diesel engines, pumpset, electric pumpset, induction motors, column pipes and cables segments. Most of the products are manufactured in one of our 4 units based in Ahmedabad, Coimbatore and Rajkot. WMS caters to customers in the Domestic and Agriculture categories through a well-developed 500+ strong distribution channel spread across India. KOEL is the market leader in the Diesel Engines and Pumpset category and a fast growing player in the electric pumpset category.

Downstream usage

A wide range of solutions to cater to various customer needs across retail, Industrial, and agriculture segments. Backward integrated with in-house capability for winding wire manufacturing and forward integrated with allied products like cables and pipes.

Farm Mechanisation

Fit for market farm mechanisation equipment catering to the agriculture segment.

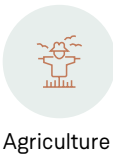
Downstream usage

Products such as tillers, weeders, brush cutters etc. are designed to cater to the specific needs of unorganised agriculture segment in India. Sales and service channels are also optimised according to specific needs.

Customer segments



Customer segments



Agriculture

