

Ref.: SEC& LEG/638

April 27, 2023

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001
Scrip Code - 505283

National Stock Exchange of India Limited
Exchange Plaza, C -1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai 400 051.
NSE Scrip Code: KIRLPNU

Dear Sir/ Madam,

Sub: Financial Results for the year ended March 31, 2023 and Recommendation of a Final Dividend
Ref.: Notice of Board Meeting Ref No. SEC& LEG / 629 dated April 19, 2023 given to BSE

Pursuant to Regulation 30 and 33 of the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith:

A. Financial Results

1. Audited Financial Results of the Company for the quarter and year ended March 31, 2023 which were approved by the Board of Directors in its Meeting held on April 27, 2023;
2. Segment Wise Report;
3. A statement of Assets and Liabilities as at March 31, 2023;
4. Cash Flow Statement;
5. Auditor's Report received from Kirtane & Pandit LLP, Chartered Accountants, Pune the Statutory Auditors of the Company on the aforesaid Audited Financial Results.

B. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W I W100057) the Statutory Auditors of the Company have issued the Auditors' Report with an unmodified opinion on the Financial Results of the Company for the Financial Year ended March 31, 2023.

C. Dividend

The Board of Directors at its Meeting held on April 27, 2023 have recommended a final dividend of 150% (Rs. 3/- per equity share) for the Financial Year 2022-23, subject to approval of members at the ensuing Annual General Meeting, which will be held on Thursday, July 20, 2023 and shall be paid through National Electronic Clearing System (NECS) or vide dividend warrants, as the case may be. The Dividend, if approved by the Shareholders shall be paid on or after July 20, 2023.

This is to further inform you that the meeting of the Board of Directors of the Company approving the above commenced at 10.30 A.M. and concluded at 01:05 P.M. (IST) on April 27, 2023.

Thanking You.

For Kirloskar Pneumatic Company Limited



K Srinivasan
Managing Director | DIN: 00088424

Kirloskar Pneumatic Company Limited

A Kirloskar Group Company

Regd. Office: Plot No. 1, Hadapsar Industrial Estate, Hadapsar,
Pune, Maharashtra 411013
Tel: +91 (20) 26727000
Fax: +91 (20) 26870297
Email: sec@kirloskar.com | Website: www.kirloskarpneumatic.com
CIN: L29120PN1974PLC110307

**STATEMENT OF AUDITED FINANCIAL RESULTS
FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023**

₹ in Lakhs

Sr. No.	Particulars	Quarter ended on			Year ended on March 31,	
		Mar 31	Dec 31	Mar 31		
		2023	2022	2022	2023	2022
		Audited	Reviewed	Audited	Audited	
I	Revenue from operations	35,958	31,228	39,840	1,23,934	1,02,118
II	Other Income	274	221	370	1,118	1,232
III	Total income (I + II)	36,232	31,449	40,210	1,25,052	1,03,350
IV	EXPENSES					
	Cost of material consumed	17,998	17,604	24,919	66,612	59,162
	Changes in inventories of finished goods, stock in trade & work in progress	1,747	(9)	(2,622)	3,103	(3,130)
	Employee benefit expense	3,599	3,538	3,348	14,369	12,948
	Finance Cost	2	6	1	8	211
	Depreciation and amortisation expense	857	852	816	3,354	3,522
	Other Expenses	7,824	5,096	6,428	23,278	19,225
	Total expenses (IV)	32,027	27,087	32,890	1,10,724	91,938
V	Profit/(Loss) before exceptional items & tax (III - IV)	4,205	4,362	7,320	14,328	11,412
VI	Exceptional items	-	-	-	-	-
VII	Profit/ (Loss) before tax (V - VI)	4,205	4,362	7,320	14,328	11,412
VIII	Tax expenses					
	Current Tax (net of write back of previous year)	1,015	1,015	1,910	3,578	2,899
	Deferred Tax	(34)	62	(30)	(108)	21
IX	Profit/ (Loss) for the period (VII - VIII)	3,224	3,285	5,440	10,858	8,492
X	Other Comprehensive Income					
	i) Items that will not be reclassified to profit or loss	3,316	2,004	470	6,430	1,581
	ii) Income tax relating to items that will not be reclassified to profit or loss	(524)	(242)	(112)	(879)	(163)
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)	6,016	5,047	5,798	16,409	9,910
XII	Paid up Equity Share Capital (Face Value of Rs. 2/- each)	1,293	1,292	1,289	1,293	1,289
XIII	Other Equity				78,224	64,557
XIV	Earning per equity share basic (Rs.)	4.99	5.09	8.45	16.82	13.19
	Earning per equity share diluted (Rs.) (Not Annualised)	4.98	5.07	8.40	16.77	13.12



SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

₹ in Lakhs

Sr. No.	Particulars	Quarter ended on			Year ended on	
		Mar 31	Dec 31	Mar 31	March 31st	
		2023	2022	2022	2023	2022
1	Segment Revenue	Audited	Reviewed	Audited	Audited	
	Compression Systems	33,309	29,189	37,237	1,15,695	96,095
	Other Non Reportable Segments	2,649	2,039	2,603	8,239	6,023
	TOTAL	35,958	31,228	39,840	1,23,934	1,02,118
	Less : Inter Segment revenue	-	-	-	-	-
	Net Sales/ Income from operations	35,958	31,228	39,840	1,23,934	1,02,118
2	Segment Results					
	Profit/(Loss) before tax and interest from each segment					
	Compression Systems	6,106	5,992	9,167	20,869	17,995
	TOTAL	6,106	5,992	9,167	20,869	17,995
	Less : i. Finance Cost	2	6	1	8	211
	ii. Other unallocable expenditure (net off income) including Profit/(Loss) of non reportable segments	1,899	1,624	1,846	6,533	6,372
	Total Profit/(Loss) Before Tax	4,205	4,362	7,320	14,328	11,412
3	Capital Employed					
	Segment Assets					
	Compression Systems	59,612	55,810	60,938	59,612	60,938
	Segment Liabilities					
	Compression Systems	29,037	26,632	33,270	29,037	33,270
	Total Capital employed in segment	30,575	29,178	27,668	30,575	27,668
	Add : Unallocable corporate assets	53,341	49,734	41,525	53,341	41,525
	Less : Unallocable corporate liabilities (including non reportable segments)	4,399	3,886	3,347	4,399	3,347
Net Unallocable Corporate Assets / (Liabilities)	48,942	45,848	38,178	48,942	38,178	
	Total Capital employed in the Company	79,517	75,026	65,846	79,517	65,846

Notes

- The above Results have been reviewed and recommended by the Audit Committee & approved by the Board of Directors at its Meeting held on 27th April, 2023.
- The Board has recommended a final dividend @ 150%(Rs.3/- per share)
- In terms of provisions of Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance comprising various business segments. Accordingly, segmental information has been reported under Compression Segment and Other Non-Reportable Segments which includes remaining non-qualifying segments. Figures pertaining to previous periods have been regrouped appropriately.
- During the year the Company has allotted 189,400 (178,000) Equity Shares of Rs.2/- each fully paid under its ESOS 2019.
- Previous Years figures have been regrouped, rearranged or reclassified wherever necessary to correspond to Current Year's figures.



Place : Pune
Date : April 27, 2023



For Kirloskar Pneumatic Co. Ltd.



K. Srinivasan
Managing Director

Statement of Assets and Liabilities as at 31st March 2023

₹ in Lakhs

Sr. No.	Particulars	As at 31st March	
		2023	2022
		Audited	
	ASSETS		
(1)	Non-current assets		
	(a) Property, Plant and Equipment	21,798	22,725
	(b) Capital work-in-progress	2,138	521
	(c) Other Intangible assets	543	211
	(d) Intangible assets under development	238	569
	(e) Financial Assets		
	(i) Investments	14,188	7,891
	(ii) Loans	-	-
	(iii) Other Financial Assets	489	251
	(f) Other non-current assets	54	20
	Total non-current assets	39,448	32,188
(2)	Current assets		
	(a) Inventories	17,679	20,275
	(b) Financial Assets		
	(i) Investments	10,377	12,657
	(ii) Trade receivables	32,917	29,883
	(iii) Cash and cash equivalents	3,586	3,566
	(iv) Bank balance other than (iii)above	358	313
	(v) Others	5,311	91
	(c) Other current assets	3,277	3,491
	Total current assets	73,505	70,276
	TOTAL ASSETS	1,12,953	1,02,464
	EQUITY AND LIABILITIES		
	Equity		
	(a) Equity share capital	1,293	1,289
	(b) Other equity	78,224	64,557
	Total equity	79,517	65,846
(1)	Liabilities		
	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	-	-
	(ii) Lease Liabilities	78	95
	(iii) Other financial liabilities	9	9
	(b) Provisions	664	611
	(c) Deferred tax liabilities (net)	1,312	542
	(d) Other non-current liabilities	-	-
	Total non-current liabilities	2,063	1,257
(2)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	-	-
	(ii) Lease Liabilities	24	29
	(iii) Trade payables		
	Total Outstanding due to Micro and small enterprises	3,644	3,909
	Total Outstanding dues of Creditors other than Micro and small enterprises	12,054	13,128
	(iv) Other financial liabilities	7,003	6,415
	(b) Other current liabilities	7,781	11,004
	(c) Provisions	721	598
	(d) Current tax liability (net)	146	278
	Total current liabilities	31,373	35,361
	TOTAL LIABILITIES	33,436	36,618
	TOTAL EQUITY AND LIABILITIES	1,12,953	1,02,464



CASH FLOW STATEMENT

₹ in Lakhs

	As at 31st March	
	2023	2022
	Audited	
A) Cash Flow From Operating Activities		
Profit Before Tax	14,328	11,412
Adjustments for :		
Depreciation and amortisation expense	3,354	3,522
Interest income	(155)	(3)
Unwinding of Interest on Security Deposits	(9)	(13)
Share Based Payment	169	141
Dividend income	(173)	(145)
Foreign Exchange Gain, Net	(57)	(153)
Net Gain on Financial Instruments Mandatorily Measured at Fair Value Through Profit or Loss	(334)	(402)
Loss/(gain) on Sale of Investments	(266)	(316)
Loss/(gain) on disposal of property, plant and equipment	(47)	(172)
Finance costs	8	211
Bad Debts	33	172
Operating profit before working capital adjustments	16,851	14,254
Working capital adjustments		
(Increase)/decrease in trade receivables	(3,067)	754
(Increase)/decrease in inventories	2,596	(8,838)
(Increase)/decrease in other financial assets	(5,563)	290
(Increase)/decrease in other non-financial assets	361	367
Increase/(decrease) in trade payables	(1,339)	2,470
Increase/(decrease) in financial liabilities	736	(865)
Increase/(decrease) in non-financial liabilities	(3,223)	4,730
Increase/(decrease) in provisions	58	337
Cash generated from operations	7,410	13,499
Income taxes paid	(3,432)	(2,592)
Net cash inflow from operating activities	3,978	10,907
B) Cash flow from investing activities		
Payments for property, plant and equipment, intangible assets	(4,242)	(9,169)
Proceeds from sale of property, plant and equipment, intangible	64	251
Sale / Redemption of Investments	6,885	7,194
Purchase of Investments	(4,000)	(3,000)
Interest income	2	3
Dividend income	173	145
Net cash outflow from investing activities	(1,118)	(4,576)
C) Cash flow from financing activities		
Proceeds from issuance of share capital	255	214
Repayment of borrowings	-	(4,000)
Finance costs	53	(173)
Lease Payments	(30)	(25)
Dividends paid (including dividend distribution tax)	(3,118)	(3,238)
Net cash outflow from financing activities	(2,840)	(7,222)
Net increase/(decrease) in cash and cash equivalents	20	(891)
Cash and cash equivalents at beginning of the financial year	3,566	4,457
Effect of exchange rate changes on cash and cash equivalents	2	-
Cash and cash equivalents at end of the financial year	3,584	3,566



KIRTANE & PANDIT LLP

**Independent Auditor's Report on Audit of Annual Financial Results of Kirloskar Pneumatic Company Limited for quarter and year ended March 31, 2023
(Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended))**

**To the Board of Directors of
Kirloskar Pneumatic Company Limited**

Opinion

We have audited the accompanying annual financial results of **Kirloskar Pneumatic Company Limited** ("the Company") for the quarter and year ended March 31, 2023, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these annual financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the annual financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Management's Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Other Matter

The annual financial results include the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to December 31, 2022, being the third quarter of the current financial year which were subject to limited review by us.

Our report on the Statement is not modified in respect of this matter.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057



Suhas Deshpande

Partner

Membership No.: 031787

UDIN: 23031787BGYQFR5254



Pune, April 27, 2023