

Date: 14th May 2026

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 including amendments thereunder, please find enclosed herewith:

1. The Standalone Audited Financial Results of the Company for the quarter and year ended 31st March 2026 and the Consolidated Audited Financial Results of the Company for the quarter and year ended 31st March 2026, which were approved by the Board of Directors in its meeting held on 14th May 2026;
2. Auditors Report received from G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W), Statutory Auditors of the Company on aforesaid Audited Financial Results - Standalone and Consolidated;
3. A declaration in respect of Audit Report with unmodified opinion;
4. The Board of Directors in its meeting held on 14th May 2026, has recommended the final dividend of Rs. 4.50/- (225%) per equity share of Rs. 2/- each for the financial year 2025-26, subject to the approval of the members at the ensuing Annual General Meeting and will be paid through National Electronic Clearing System (NECS) or any other electronic mode as the case may be.

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.kirloskaroilengines.com

CIN: L29100PN2009PLC133351

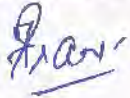
The dividend if approved by the Members shall be paid on or before 5th September 2026.

The meeting of the Board of Directors of the Company commenced at 3.00 PM and concluded at 4.00 PM

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited



Farah Irani
Company Secretary and Compliance Officer



Encl.: As above.

KIRLOSKAR OIL ENGINES LIMITED
CIN : L29100PN2009PLC133351

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

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2026

(₹ in Crores)

Particulars	Quarter ended			Year ended	Year ended
	31-03-2026	31-12-2025	31-03-2025	31-03-2025	31-03-2025
	Audited	Unaudited	Audited	Audited	Audited
1 Income					
a) Revenue from operations	1,634.71	1,380.61	1,246.20	5,646.88	4,520.72
b) Other income	8.89	8.00	8.26	40.66	34.08
Total income (a+b)	1,543.60	1,388.61	1,254.46	5,687.49	4,554.80
2 Expenses					
a) Cost of raw materials and components consumed	801.47	668.74	553.92	2,973.80	2,323.74
b) Purchase of traded goods	202.70	166.41	146.44	724.30	589.63
c) Changes in inventories of finished goods, work-in-progress and traded goods	1.57	43.22	110.55	[24.02]	12.84
d) Employee benefits expense	90.94	96.57	82.62	356.85	321.99
e) Finance costs	3.05	2.17	3.36	11.03	11.24
f) Depreciation and amortisation expense	39.19	36.13	32.93	143.31	113.81
g) Other expenses	258.47	222.93	194.46	903.97	701.58
h) Expenses capitalised	(13.27)	(6.02)	(3.62)	(25.34)	(16.90)
Total expenses (a to h)	1,384.12	1,250.10	1,120.66	5,063.90	4,052.04
3 Profit before exceptional items and tax (1 - 2)	159.48	138.51	123.80	623.59	502.76
4 Exceptional items - (expense) / income (Refer note 5)	(9.60)	(20.08)	20.90	(29.68)	20.90
5 Profit before tax from continuing operations (3 + 4)	149.88	118.43	144.70	593.91	523.66
6 Tax expense :					
Current tax	17.43	35.56	29.17	134.61	117.69
Deferred tax	21.35	(4.50)	7.92	17.80	16.15
Total tax expense (6)	38.78	31.06	37.09	152.41	133.84
7 Net Profit / (Loss) for the period from continuing operations (5 - 6)	111.10	87.37	107.61	441.50	389.82
Discontinued operations (Refer note 6)					
Profit/(loss) before tax	-	(1.40)	18.07	26.09	56.28
Tax expense/(income) of discontinued operations	-	(0.35)	4.55	6.57	14.17
8 Net profit/(loss) after tax for the period from discontinued operations	-	(1.05)	13.52	19.52	42.11
9 Net Profit/ (Loss) for the period (7 + 8)	111.10	86.32	121.13	461.02	431.93
10 Other Comprehensive Income / (Loss)					
Items that will not be reclassified to profit or loss in subsequent periods					
Re-measurement gain / (loss) on defined benefit plans	4.91	3.21	(0.48)	1.58	(9.95)
Income tax (expense)/income on above	(1.24)	(0.81)	0.13	(0.40)	1.00
Subtotal (a)	3.67	2.40	(0.35)	1.18	(2.95)
Net gain / (loss) on equity instruments measured at fair value through other comprehensive income ("FVOCI")	(0.02)	-	(0.20)	(0.00)	(0.20)
Income tax (expense)/income on above	0.00	-	0.08	0.00	0.08
Subtotal (b)	(0.02)	-	(0.12)	(0.00)	(0.12)
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods [(a) + (b)]	3.65	2.40	(0.47)	1.18	(3.07)
Total other comprehensive income/(loss) for the period, net of tax (10)	3.65	2.40	(0.47)	1.18	(3.07)
11 Total comprehensive income/(loss) for the period, net of tax (9 + 10)	114.75	88.72	120.66	462.20	428.86
12 Paid-up equity share capital (Face value of ₹ 2 each)	29.07	29.07	29.04	29.07	29.04
13 Other equity				3,325.43	2,946.59
14 Earnings per share (EPS) (₹) (Face value of ₹ 2 each) [not annualized]					
For Continuing Operations					
a) Basic (₹)	7.64	5.01	7.42	30.39	26.87
b) Diluted (₹)	7.63	5.00	7.40	30.35	26.81
For Discontinued Operations					
a) Basic (₹)	-	(0.07)	0.93	1.34	2.90
b) Diluted (₹)	-	(0.07)	0.93	1.34	2.90
For Continuing and Discontinued Operations					
a) Basic (₹)	7.64	5.94	8.35	31.73	29.77
b) Diluted (₹)	7.63	5.93	8.33	31.69	29.71

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1. Statement of assets and liabilities (Balance Sheet)

Particulars	Standalone	
	As at	As at
	31-03-2026	31-03-2025
	Audited	Audited
(₹ in Crores)		
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	783.10	522.53
(b) Capital work-in-progress	57.78	69.34
(c) Right-of-use assets	36.04	56.00
(d) Other intangible assets	116.41	132.85
(e) Intangible assets under development	86.63	26.40
(f) Financial assets		
(i) Investments	1,537.85	1,500.05
(ii) Loans	0.04	0.01
(iii) Other financial assets	24.44	25.45
(g) Income tax assets (net)	35.37	23.02
(h) Other non-current assets	17.61	21.70
Sub-total - Non-current assets	2,693.47	2,477.35
II. Current assets		
(a) Inventories	603.41	493.12
(b) Financial assets		
(i) Investments	109.95	287.23
(ii) Trade receivables	782.51	651.07
(iii) Cash and cash equivalents	120.35	75.18
(iv) Bank balances other than (iii) above	432.21	233.00
(v) Loans	0.04	0.02
(vi) Other financial assets	23.79	20.07
(c) Assets held for sale		
(d) Other current assets	71.38	72.46
Sub-total - Current assets	2,143.64	1,830.15
TOTAL - ASSETS	4,837.11	4,307.50
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	29.07	29.04
(b) Other equity	3,325.43	2,946.59
Sub-total - Equity	3,354.50	2,975.63
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	19.13	49.13
(ii) Lease liabilities	9.22	28.11
(iii) Other financial liabilities	8.03	14.06
(b) Provisions	40.23	41.26
(c) Deferred tax liabilities (net)	43.22	25.02
(d) Other non-current liabilities	75.39	82.44
Sub-total - Non-current liabilities	195.22	240.02
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	35.26	80.29
(ii) Lease liabilities	17.26	17.05
(iii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	145.37	87.78
b) total outstanding dues of creditors other than micro enterprises and small enterprises	623.23	562.86
(iv) Other financial liabilities	161.50	113.37
(b) Other current liabilities	124.04	120.52
(c) Provisions	130.73	109.98
Sub-total - Current liabilities	1,287.39	1,091.85
TOTAL - EQUITY AND LIABILITIES	4,641.89	4,067.48

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2. Statement of Cash Flow

(₹ in Crores)

Particulars	Year ended	
	31-03-2026	31-03-2025
	Audited	Audited
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	593.91	523.66
Profit before tax from discontinued operations (Refer Note 5)	26.09	56.28
Adjustments:		
Add:		
Depreciation and amortisation expense	144.95	117.00
Finance costs	11.29	11.44
Share based compensation of employees	6.60	8.22
Impairment loss allowance on/(reversal of), write off on trade receivables / other receivables (net)	2.25	(34.89)
Bad debts and irrecoverable balances written off	0.35	0.16
(Gain)/ Loss on fair valuation of derivative instruments	13.17	(1.74)
Write down / (reversal) in write down of inventories and others (net)	12.61	25.92
	191.22	126.07
Less:		
Gain on sale of aircraft (Refer Note 5)	-	20.90
Gain/(Loss) on sale of investments in mutual funds (net)	13.63	19.30
Gain/(Loss) on fair valuation of investments in Mutual Funds measured at FVTPL (net)	2.53	4.96
Gain/(Loss) on reinstatement of receivables/payables	9.45	(1.38)
Provisions no longer required written back	2.59	0.90
Sundry credit balances written back	0.79	0.62
Interest income	22.89	8.77
Unwinding of security deposit & subsidy receivable under Package Scheme of Incentives (PSI) Scheme, 2001	0.71	0.47
Gain on disposal of property, plant and equipment (net)	1.52	2.26
Dividend Income	0.00	0.00
Gain on derecognition of leased premises accounted as per Ind AS 116	0.21	-
Gain on sale of investment measured at FVOCI	0.00	-
	54.32	56.80
Operating profit before working capital changes	756.90	649.15
Working Capital Adjustments		
(Increase)/Decrease in government grant receivables	1.02	7.14
(Increase)/Decrease in trade and other receivables	(205.04)	19.79
(Increase)/Decrease in inventories	(164.31)	6.87
Increase/(Decrease) in trade and other payables	232.24	(78.63)
Increase/(Decrease) in provisions	43.85	17.85
	(92.24)	(27.03)
Net cash generated from operations	664.66	622.12
Income tax paid (net of refunds)	(153.53)	(133.05)
NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	511.13	489.07
CASH FLOW FROM INVESTING ACTIVITIES		
Investment in subsidiaries	(18.93)	(20.38)
Purchase of property, plant and equipment (PPE) and intangible assets	(317.37)	(244.47)
Proceeds from sale/ (Purchase) of mutual funds (net)	184.94	133.87
Sale of investment measured at FVOCI	0.00	-
Proceeds from redemption of preference shares of subsidiary	3.50	-
Proceeds from sale of PPE and other intangible assets including advances	1.92	25.10
Redemption from / (Investment in) fixed deposits with banks	(199.72)	(225.78)
Loans (granted to)/ repaid by subsidiaries and employees	(0.06)	10.75
Dividend received	0.00	0.00
Interest received	19.76	7.93
	(19.76)	7.93
NET CASH (USED IN) INVESTING ACTIVITIES	(320.96)	(313.46)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from bill discounting and short term borrowings	144.95	137.29
(Repayment) of bill discounting and short term borrowings	(139.85)	(198.92)
Proceeds from long term borrowings		11.91
(Repayment) of long term borrowings	(30.00)	(30.00)
Final and interim dividend paid	(94.44)	(87.07)
Finance costs	(8.57)	(14.05)
Payment of lease liabilities including initial cost	(19.59)	(13.84)
Proceeds from issuance of share capital including securities premium	4.28	2.35
Receipt of share application money pending allotment of shares	0.32	0.33
	(143.00)	(192.00)
NET CASH (USED IN) FINANCING ACTIVITIES	(143.00)	(192.00)
Net increase/(decrease) in Cash and cash equivalents	47.17	(26.39)
Opening Cash and cash equivalents	73.18	89.57
Closing Cash and cash equivalents	120.35	73.18

i. The above cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard (IND AS) 7, 'Statement of Cash Flows' as specified in the Companies (Indian Accounting Standards) Rules, 2015.

ii. Income tax paid is treated as arising from operating activities and are not bifurcated between investing and financing activities.

iii. The above cash flow statement includes cash flow from discontinued operations (Refer note: 5)

iv. All figures in bracket indicate cash outflow.



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1 The Company mainly operates in the business of manufacturing of Engines wherein two customer based reportable segments had been identified namely Business to Business ("B2B") and Business to Customer ("B2C") upto 10th October 2025 (refer note 6). However, post transfer of net assets of B2C business segment, the Company operates in a segment of B2B only at standalone level. Further as per para 4 of Ind AS 108 "Operating Segments" the Company is required to disclose segment information only in the Consolidated Financial Results. Accordingly, disclosure of this information has been included under Consolidated Financial Results for the quarter and year ended 31st March 2026.

2 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.

3 Exceptional Items reported -

- i) during the year ended 31st March 2025 represents gain on sale of aircraft amounting to ₹ 20.90 Crores and
- ii) during the quarter and year ended 31st March 2026 represents expenses of ₹ 9.60 Crores and ₹ 29.68 Crores respectively for the incremental impact on account of the New Labour Codes.

On 21st November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws, collectively referred to as the "New Labour Codes".

The Ministry of Labour & Employment has also published draft central rules and FAQs to enable the assessment of the financial impact due to regulatory changes. The Company has considered an updated salary structure for its employees and assessed the impact of the changes, consistent with the notified codes, draft rules, FAQs, relevant accounting standards and the best information available. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact of ₹ 29.68 Crores under "Exceptional Items".

Further, the Government of India has by a notification on 8th May 2026, notified the final rules under the New Labour Codes. Since the new labour codes and related rules are evolving and subject to further clarifications and implementation guidelines, the Company will continue to evaluate the implications thereof and the appropriate accounting impacts, if any, shall be accounted for as and when the same becomes reasonably measurable and ascertainable.

4 The Board of Directors of the Company in its meeting held on 10th October 2025 approved the transfer of the Company's Business to Customer ("B2C") business segment i.e. Water Management Solutions ("WMS") - Domestic & Exports Business by way of slump sale as a going concern to its wholly owned subsidiary, KOEL Fluid Dynamics Private Limited ("KFD") (Formerly known as La-Gajar Machineries Private Limited ("LGM")).

The aforesaid B2C business segment of the Company is transferred to KFD (LGM) with effect from 11th October 2025. The consideration is in the form of issuance and allotment of 10,65,150 equity shares of KFD (LGM) having face value of ₹ 10/- each to the Company, on a private placement basis, on terms as set out in the Business Transfer Agreement. Accordingly, the net assets of ₹ 18.88 Crores have been transferred on a slump sale basis at their carrying values, and the consideration has been accounted for at such carrying values of net assets as an addition to the Company's investment in the subsidiary, consistent with the Company's accounting policy, in accordance with the applicable Indian accounting standards.

The operations of the Business to Customer ("B2C") business of the Company has been classified as Discontinued Operations for all the periods presented in these audited standalone financial results of the Company, in accordance with the applicable accounting standards. Since the transaction is with the wholly owned subsidiary company, there is no impact on the audited consolidated financial results.

The results of the business classified as discontinued operations in the audited standalone financial results are as under:

Particulars	Quarter ended			Year ended	
	31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
	Audited	Unaudited	Audited	Audited	Audited
(a) Revenue from operations and other income	-	-	176.50	318.07	592.94
(b) Total expenses	-	1.40	158.43	291.98	536.66
(c) Profit/(loss) before tax (a-b)	-	(1.40)	18.07	26.09	56.28
(d) Tax expense/(income) of discontinued operations	-	(0.35)	4.55	6.57	14.17
Profit/(loss) after tax (c - d)	-	(1.05)	13.52	19.52	42.11
Net cash generated from/ (used in) operating activities	-	-	-	(4.02)	89.52
Net cash generated from/ (used in) investing activities	-	-	-	0.11	(0.18)
Net cash generated from/ (used in) financing activities	-	-	-	3.91	(69.34)

5 The Board of Directors of the Company in its meeting held on 11th February 2026 had given its consent for incorporation of a wholly owned subsidiary of the Company, with the initial investment upto ₹ 9 Crores. Accordingly, the Company has incorporated 'Kirkoskar Advanced Systems Private Limited' (wholly owned subsidiary of the Company) w.e.f. 30th March 2026.

6 The Company consistently recognizes provision for any significantly delayed receivables, for accounting of expected credit losses. With respect to the provision made for the receivables against sales of Gensets to a specific customer in prior years, the (Income) or expense in the Statement of Profit and Loss for the quarter and year ended 31st March 2026 was Nil (₹ Nil) and ₹ (41.47) Crores for the quarter and year ended 31st March 2025 respectively.

7 During the quarter ended 31st March 2026, the Company has allotted 27,795 fully paid-up equity shares of ₹ 2/- each to the option grantees upon exercise of Employee Stock Options pursuant to 'Kirkoskar Oil Engines Limited - Employee Stock Option Plan 2019' ('KOEL ESOP 2019'). Consequent to aforesaid allotment, the paid-up equity share capital of the Company has increased from 14,53,31,414 fully paid-up equity shares of ₹ 2/- each to 14,53,59,209 fully paid-up equity shares of ₹ 2/- each.

8 The figures for the quarter ended 31st March 2026 are balancing figures between audited figures in respect of full financial year ended 31st March 2026 and the published year-to-date figures upto the third quarter ended 31st December 2025 which were subjected to "Limited Review" by the Statutory Auditors of the Company.

9 The figures for the previous periods have been regrouped wherever required to make them comparable with those of the current periods. The impact of such regroupings is not material to the financial results.

12 The above standalone financial results for the quarter and year ended 31st March 2026 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 14th May 2026 and are audited by the Statutory Auditors of the Company.

13 The Board of Directors of the Company in its meeting held on 14th May 2026 has recommended a final dividend of ₹ 4.50/- (225%) per fully paid up equity share of ₹ 2/- each for the year ended 31st March 2026.

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

For Kirloskar Oil Engines Limited

Place : Pune
Date : 14th May 2026


Gauri Kirloskar
Vice Chairperson and Managing Director
DIN: 03356274



Independent Auditor's Report on the Quarterly and Annual Standalone Financial Results of Kirloskar Oil Engines Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**The Board of Directors
Kirloskar Oil Engines Limited**

Report on the Audit of the Standalone Financial Results

Opinion

We have audited the accompanying Standalone Financial Results of Kirloskar Oil Engines Limited ("the Company") for the quarter and year ended March 31, 2026, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, these Standalone 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 of the Company for the quarter and year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of Companies Act, 2013 (the Act). Our responsibility under those Standards is further described in the Auditor's Responsibility for the Audit of the Standalone 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 financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirements of 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 Responsibility for Standalone Financial Results

These quarterly and annual financial results have been prepared on the basis of Standalone Financial Statements. The Company's Board of Directors are responsible for the preparation of these 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 accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 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 judgements 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 presentation of the Standalone Financial Results that give a true and fair view and free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of Standalone Financial Results

Our objectives are to obtain reasonable assurance whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud and 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 detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these Standalone Financial Results.

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

- Identify and assess the risk of material misstatement of the Standalone 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.

This risk of not detecting a material misstatement resulting from a fraud is higher than one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such 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 Director's use of 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 disclosure in the 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 Standalone Financial Results, including the disclosures, and whether the financial results represent the underlying transactions and the events in the manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with the 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 quarterly Standalone Financial Results for the quarter ended March 31, 2026 are the derived figures between the audited figures for the year ended March 31, 2026 and the published year-to-date figures up to December 31, 2025 being the date of the end of third quarter of the current

G. D. Apte & Co.
Chartered Accountants

financial year which were subjected to limited review by us as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015,

Our opinion is not modified in respect of this matter.

For G.D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 26121007QMKTRN6680



Anagha M. Nanivadekar
Partner
Membership Number: 121007
Pune, May 14, 2026

KIRLOSKAR OIL ENGINES LIMITED
CIN : L29100PN2009PLC133351

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

STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2028

(₹ in Crores)

Particulars	Consolidated				
	Quarter ended			Year ended	
	31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
	Audited	Unaudited	Audited	Audited	Audited
1 Income					
a) Revenue from operations	2,116.23	1,872.60	1,749.32	7,701.01	6,329.14
b) Other income	12.94	9.97	15.12	70.18	46.65
Total income (a+b)	2,129.17	1,882.57	1,764.44	7,771.17	6,375.79
2 Expenses					
a) Cost of raw materials and components consumed	863.41	831.21	671.14	3,468.22	2,799.39
b) Purchase of traded goods	321.62	235.39	198.53	1,015.93	744.30
c) Changes in inventories of finished goods, work-in-progress and traded goods	64.21	1.41	141.77	(37.39)	37.72
d) Employee benefits expense	162.51	161.72	141.99	612.42	536.08
e) Finance costs**	119.90	127.53	130.59	522.81	482.37
f) Depreciation and amortisation expense	49.15	43.21	39.13	174.04	139.36
g) Other expenses	342.15	317.44	287.07	1,251.76	1,041.73
h) Expenses capitalised	(13.27)	(6.02)	(3.62)	(25.34)	(16.90)
Total expenses (a to h)	1,909.74	1,711.89	1,606.60	6,982.45	5,764.05
3 Profit before share of profit/(loss) of joint venture, exceptional items and tax (1-2)	219.43	170.68	157.84	788.72	611.74
4 Share of net profit/(loss) of joint venture accounted for using the equity method	-	-	-	-	0.73
5 Profit before exceptional items and tax (3+4)	219.43	170.68	157.84	788.72	612.47
6 Exceptional items - income / (expense) (Refer note 7)	(9.44)	(23.01)	20.90	(32.45)	36.19
7 Profit before tax from continuing operations (5 + 6)	209.99	147.67	178.74	756.27	648.66
8 Tax expense :					
Current tax	30.94	40.62	37.69	172.42	145.73
(Excess)/short provision relating to previous years	(1.99)	-	0.05	(1.99)	(0.25)
Deferred tax	25.32	(2.08)	14.86	28.12	29.62
Total tax expense (8)	54.77	38.54	52.60	198.55	175.10
9 Net Profit / (Loss) for the period from continuing operations (7 - 8)	155.22	109.13	126.14	557.72	473.56
10 Discontinued operations (Refer note 8)					
Profit before tax	-	-	0.56	0.29	3.02
Profit on sale of undertaking	-	-	-	4.25	-
Tax expense/(income) of discontinued operations	-	-	0.14	(0.20)	0.76
Net profit/(loss) after tax for the period from discontinued operations ^	-	-	0.42	4.74	2.26
11 Net Profit/ (Loss) for the period (9 + 10)	155.22	109.13	126.56	562.46	475.82
12 Other Comprehensive income / (Loss)					
Items that will be reclassified to profit or loss in subsequent periods (A) :					
Exchange differences in translating the financial statements of foreign operations (net of tax)	(1.21)	0.30	0.02	(1.66)	0.02
Fair value changes on loans classified under "Hold and Sell" business model	(5.69)	0.38	-	42.66	-
Income tax (expense)/income on above	1.43	(0.10)	-	(10.74)	-
Total (A)	(5.47)	0.58	0.02	30.26	0.02
Items that will not be reclassified to profit or loss in subsequent periods (B):					
Re-measurement gain/(loss) on defined benefit plans	6.20	3.11	(1.34)	2.49	(5.27)
Income tax (expense)/income on above	(1.56)	(0.79)	0.34	(0.63)	1.33
Subtotal (a)	4.64	2.32	(1.00)	1.86	(3.94)
Net gain/(loss) on equity instruments measured at fair value through other comprehensive income	(0.02)	-	(0.20)	(0.00)	(0.27)
Income tax (expense)/income on above	0.00	-	0.08	0.00	0.10
Subtotal (b)	(0.02)	-	(0.12)	0.00	(0.17)
Share of other comprehensive income of joint venture accounted for using the equity method (net of tax) (c)	-	-	-	-	0.00
Total (B) = (a)+(b)+(c)	4.62	2.32	(1.12)	1.86	(4.11)
Total other comprehensive income/(loss) for the period, net of tax ((A) + (B) = 12)	(0.85)	2.90	(1.10)	32.12	(4.09)
13 Total comprehensive income/ (loss) for the period, net of tax (11 + 12)	154.37	112.03	125.46	594.58	471.73
14 Profit for the period attributable to:					
a) Owners of the Company ^	158.60	111.38	131.04	574.32	489.15
b) Non-controlling interest	(3.38)	(2.25)	(4.48)	(11.86)	(13.33)
15 Other comprehensive income for the period attributable to:					
a) Owners of the Company ^	1.62	2.78	(1.05)	35.54	(3.58)
b) Non-controlling interest	(2.47)	0.12	(0.05)	(3.42)	(0.51)
16 Total comprehensive income for the period attributable to:					
a) Owners of the Company ^	160.22	114.16	129.99	609.86	485.57
b) Non-controlling interest	(5.85)	(2.13)	(4.53)	(15.28)	(13.84)
17 Paid-up equity share capital (Face value of ₹ 2 each)	29.07	29.07	29.04	29.07	29.04
18 Other Equity				9,591.12	3,057.46
19 Earnings per share (₹) (Face value of ₹ 2 each) [not annualized]					
For Continuing Operations					
a) Basic (₹)	10.91	7.66	9.00	39.20	33.55
b) Diluted (₹)	10.86	7.64	8.98	39.05	33.44
For Discontinued Operations					
a) Basic (₹)	-	-	0.03	0.33	0.16
b) Diluted (₹)	-	-	0.03	0.33	0.16
For Continuing and Discontinued Operations					
a) Basic (₹)	10.91	7.66	9.03	39.53	33.71
b) Diluted (₹)	10.86	7.64	9.01	39.38	33.60

Net profit/(loss) after tax from discontinued operations is wholly attributable to owners of the Company.

Continued to Page no. 2..

Notes:

The Group ("the Company and its subsidiaries") operates in the business of manufacturing of Engines and Pumps wherein two customer based reportable segments had been identified namely - Business to Business ("B2B") and Business to Customer ("B2C"). However, as per para 4 of Ind AS 108 "Operating Segments", Kirloskar Oil Engines Limited ("the Company") is required to disclose segment information only in the Consolidated Financial Results. At consolidated level, the Group has identified three operating reportable segments namely B2B, B2C and Financial Services. The identification of operating segments is consistent with performance assessment and resource allocation by the management.

During the quarter ended 30th June 2025, the Group reorganized Farm Mechanization Solutions, one of its business components, from B2C to B2B business segment with effect from 1st April 2025, in an effort to improve synergy, since its products are more complementary to the Agri product line of the Industrial business unit (B2B segment). The previous period figures have been presented after incorporating necessary reclassification adjustments pursuant to the reorganisation within the reportable segments.

The Consolidated Statement of Segment wise Revenue, Results, Assets and Liabilities are as under:

(₹ in Crores)

Particulars	Consolidated				
	Quarter ended			Year ended	
	31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
	Audited	Unaudited	Audited	Audited	Audited
SEGMENT REVENUE					
B2B	1,556.71	1,396.15	1,240.68	5,685.81	4,530.01
B2C	338.93	249.39	304.67	1,138.53	1,018.68
Financial Services	220.59	227.06	203.97	876.67	780.45
REVENUE FROM OPERATIONS	2,116.23	1,872.60	1,749.32	7,701.01	6,329.14
SEGMENT RESULTS*					
B2B	152.33	137.17	112.70	592.02	462.79
B2C	42.10	18.25	36.29	106.19	65.26
Financial Services #	28.13	17.12	10.96	92.44	89.29
Unallocated	3.55	2.87	4.11	20.78	16.60
Total	226.21	175.41	164.06	811.43	633.94
Less:					
(i) Finance costs **	6.78	4.73	6.22	22.71	21.47
(ii) Exceptional items - (Income)/expense (Refer note 7)	9.44	23.01	(20.90)	32.45	(36.19)
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (A)	209.99	147.67	178.74	756.27	648.66
PROFIT BEFORE TAX FROM DISCONTINUED OPERATIONS (B) (Refer note 7)	-	-	0.56	4.54	3.02
PROFIT BEFORE TAX FOR THE PERIOD [(A)+ (B)]	209.99	147.67	179.30	760.81	651.68
SEGMENT ASSETS					
B2B	2,640.60	2,592.23	2,064.06	2,640.60	2,064.06
B2C	748.95	731.06	671.18	748.95	671.18
Financial Services	6,751.45	6,678.27	7,125.25	6,751.45	7,125.25
Unallocated assets	711.44	505.69	621.91	711.44	621.91
TOTAL ASSETS	10,852.44	10,507.25	10,482.40	10,852.44	10,482.40
SEGMENT LIABILITIES					
B2B	1,405.33	1,290.27	1,118.87	1,405.33	1,118.87
B2C	360.29	330.40	337.05	360.29	337.05
Financial Services	5,388.29	5,334.96	5,869.23	5,388.29	5,869.23
Unallocated liabilities	123.40	100.52	100.53	123.40	100.53
TOTAL LIABILITIES	7,277.31	7,056.15	7,425.68	7,277.31	7,425.68

*Profit/(Loss) before exceptional items, tax and interest from each segment

Profit/(Loss) before exceptional items, tax and after interest

** Other than the interest pertaining to the "Financial Services" segment

^^ Disaggregation of finance costs are as below -

Particulars	Quarter ended			Year ended	
	31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
Finance costs relating to financial services business	113.12	122.80	124.37	500.10	460.90
Finance costs relating to Other than financial services business	6.78	4.73	6.22	22.71	21.47
Total	119.90	127.53	190.59	522.81	482.37

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Statement of assets and liabilities (Balance Sheet)

(₹ In Crores)

Particulars	Consolidated	
	As at	As at
	31-03-2026	31-03-2025
	Audited	Audited
ASSETS		
I. Non-current assets		
(a) Property, plant and equipment	915.53	752.93
(b) Capital work-in-progress	60.95	71.06
(c) Right-of-use assets	100.85	99.40
(d) Goodwill	190.17	191.43
(e) Other Intangible assets	120.71	138.88
(f) Intangible assets under development	87.69	27.18
(g) Financial assets		
(i) Investments	114.24	90.20
(ii) Loans and Receivables of Financial Services Business	3,566.42	4,548.43
(iii) Loans	0.04	0.01
(iv) Other financial assets	205.54	117.98
(h) Deferred tax assets (net)	6.54	4.11
(i) Income tax assets (net)	35.99	24.87
(j) Other non-current assets	18.66	23.05
Sub-total - Non-current assets	5,424.33	6,089.53
II. Current assets		
(a) Inventories	743.66	591.30
(b) Financial assets		
(i) Investments	325.36	510.52
(ii) Trade receivables	953.19	695.86
(iii) Cash and cash equivalents	764.20	741.06
(iv) Bank balances other than (iii) above	486.26	255.52
(v) Loans and Receivables of Financial Services Business	1,977.64	1,452.51
(vi) Loans	0.04	0.02
(vii) Other financial assets	41.24	22.09
(c) Assets held for sale	-	-
(d) Current tax assets (net)	27.33	26.99
(e) Other current assets	109.19	97.00
Sub-total - Current assets	5,428.11	4,392.87
TOTAL - ASSETS	10,852.44	10,482.40
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity share capital	29.07	29.04
(b) Other equity	3,591.12	3,057.46
(c) Non-controlling Interests	(45.06)	(29.78)
Sub-total - Equity	3,575.13	3,056.72
LIABILITIES		
I. Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	3,123.78	3,760.98
(ii) Lease Liabilities	33.54	34.98
(iii) Other financial liabilities	14.18	14.33
(b) Provisions	60.99	51.78
(c) Deferred tax liabilities (net)	69.83	28.76
(d) Other non-current liabilities	75.39	82.44
Sub-total - Non-current liabilities	3,377.71	3,974.27
II. Current liabilities		
(a) Financial liabilities		
(i) Borrowings	2,190.00	1,999.85
(ii) Lease liabilities	27.01	22.72
(iii) Trade and other payables		
a) total outstanding dues of micro enterprises and small enterprises	196.20	118.39
b) total outstanding dues of creditors other than micro enterprises and small enterprises	750.77	589.92
(iv) Other financial liabilities	416.24	425.13
(b) Other current liabilities	149.33	161.00
(c) Provisions	170.05	133.39
(d) Current tax liabilities (net)	-	1.00
Sub-total - Current liabilities	3,899.60	3,451.41
TOTAL - EQUITY AND LIABILITIES	10,852.44	10,482.40

Continued to Page no. 4.



4. As per Ind AS 108 "Operating Segments", the Group has reported revised 'Segment information' as described below:-
- Business to Business (B2B)** - This segment comprises of production, sales and services of Engines, Gensets, Electric Motors, spares parts of these products and oils, Farm Machines like power tillers, power weeders etc.
 - Business to Customers (B2C)** - This segment comprises of production, assembly, sales and services of Diesel or Electric operated Pumps & pumpsets, accessories and allied products
 - Financial Services** - This segment includes operations of rendering financial services through wholly owned Non-Banking Financial Company (NBFC) subsidiary Arka Financial Holdings Private Limited, NBFC step-down subsidiary Arka Fincap Limited and a step-down subsidiary Arka Investment Advisory Services Private Limited respectively.
 - Unallocable** - Unallocable comprises of assets, liabilities, revenue and expenses which are not directly related with any of the 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. The Board of Directors of the Company in its meeting held on 11th February 2026 had given its consent for incorporation of a wholly owned subsidiary of the Company, with the initial investment upto ₹ 9 Crores. Accordingly, the Company has incorporated 'Kirlooskar Advanced Systems Private Limited' (wholly owned subsidiary of the Company) w.e.f. 30th March 2026.

7. Exceptional Items reported :-

- during the year ended 31st March 2025 represents gain on sale of aircraft amounting to ₹ 20.90 Crores and
- represents reversal of earlier year's recorded provision by Arka Fincap Limited (AFL) amounting to ₹ 7.42 Crores during the quarter ended 30th June 2024 and additional ₹ 7.87 Crores during the quarter ended 30th September 2024. Accordingly, the total provision of ₹ 15.29 Crores was reversed during the year ended 31st March 2025.
- during the quarter and year ended 31st March 2026 represents expenses of ₹ 9.44 Crores and ₹ 32.45 Crores for the incremental impact on account of the New Labour Codes.

On 21st November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws, collectively referred to as the "New Labour Codes".

The Ministry of Labour & Employment published draft central Rules and FAQs to enable the assessment of the financial impact due to regulatory changes. The Group has considered an updated salary structure for its employees and assessed the impact of the changes, consistent with the notified codes, draft rules, FAQs, relevant accounting standards and the best information available. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact of ₹ 32.45 Crores under "Exceptional Items".

Further, the Government of India has by a very recent notification on 8th May 2026, notified the final rules under the New Labour Codes. Since the new labour codes and related rules are evolving and subject to further clarifications and implementation guidelines, the Group will continue to evaluate the implications thereof and the appropriate accounting impacts, if any, shall be accounted for as and when the same becomes reasonably measurable and ascertainable.

8. During the quarter ended 30th June 2025, KOEL Fluid Dynamics Private Limited ("KFD") (formerly known as La-Gajjar Machineries Private Limited) transferred its 'Cables, Wires & Pipes business' ("undertaking") by way of slump sale on a going concern basis at an aggregate consideration of ₹ 10.70 Crores subject to closing adjustments by executing Business Transfer Agreement (BTA) on 30th June 2025 (Closing date) between KFD and the Buyer i.e. Vira Logistics and accordingly the 'Cables, Wires & Pipes business' of KFD was transferred to the Buyer w.e.f. Closing date.

The results of the undertaking classified as discontinued operations in the audited consolidated financial results are as under:

(₹ in Crores)

Particulars	Quarter ended			Year ended	
	31-03-2026	31-12-2025	31-03-2025	31-03-2026	31-03-2025
	Audited	Unaudited	Audited	Audited	Audited
(a) Revenue from operations and other income	-	-	3.46	3.16	19.92
(b) Total expenses	-	-	2.90	2.87	16.90
(c) Profit before tax	-	-	0.56	0.29	3.02
(d) Tax expense/(income) of discontinued operations	-	-	0.14	(0.20)	0.76
(e) Profit after tax [(c) - (d)]	-	-	0.42	0.49	2.26
(f) Profit on sale of undertaking	-	-	-	4.25	-
(g) Tax expense/(income) on profit on sale of undertaking	-	-	-	-	-
(h) Profit after tax on sale of undertaking [(f) - (g)]	-	-	-	4.25	-
(i) Total profit before tax from discontinued operations [(c) + (f)]	-	-	0.56	4.54	3.02
(j) Total tax expense/(income) of discontinued operations [(d) + (g)]	-	-	0.14	(0.20)	0.76
(k) Net profit after tax from discontinued operations [(i) + (j)]	-	-	0.42	4.74	2.26
Cash flows:				9.88	3.13
Cash flow from operating activities				(0.82)	3.13
Cash flow from investing activities				10.70	-

9. The Board of Directors of the Company in its meeting held on 10th October 2025 approved the transfer of the Company's Business to Customer ("B2C") business segment i.e. Water Management Solutions ("WMS") - Domestic & Exports Business by way of slump sale as a going concern to its wholly owned subsidiary, 'KOEL Fluid Dynamics Private Limited' ("KFD") (Formerly known as La-Gajjar Machineries Private Limited ("LGM")).

The aforesaid B2C business segment of the Company is transferred to KFD (LGM) with effect from 11th October 2025. The consideration is in the form of issuance and allotment of 10,65,150 equity shares of KFD (LGM) having face value of ₹ 10/- each to the Company, on a private placement basis, on terms as set out in the Business Transfer Agreement. Since this transaction is with between the Company and its wholly owned subsidiary company, there is no impact on the unaudited consolidated financial results.

10. The Group consistently recognizes provision for any significantly delayed receivables, for accounting of expected credit losses. With respect to the provision made for the receivables against sales of Gensets to a specific customer in prior years, the (income) or expense in the Statement of Profit and Loss for the quarter and year ended 31st March 2026 was Nil | ₹ Nil and ₹ (41.47) Crores for the quarter and year ended 31st March 2025 |



- 11 Arka Fincap Limited has assessed certain loans originated during the year ended 31st March 2026 under the business model of "Hold & Sell". Accordingly, the fair value gain on such loans has been disclosed as "Fair value changes on loans classified under "Hold & Sell" business model" under Other Comprehensive Income.
- 12 During the quarter ended 31st March 2026, the Company has allotted 27,795 fully paid-up equity shares of ₹ 2/- each to the option grantees upon exercise of Employee Stock Options pursuant to "Kirkoskar Oil Engines Limited – Employee Stock Option Plan 2019" ("KOEL ESOP 2019"). Consequent to aforesaid allotment, the paid-up equity share capital of the Company has increased from 14,53,31,414 fully paid-up equity shares of ₹ 2/- each to 14,53,59,209 fully paid-up equity shares of ₹ 2/- each.
- 13 The Consolidated Financials Results includes the results of the following subsidiaries :-
- KOEL Fluid Dynamics Private Limited ("KFD") (formerly known as La-Gajjar Machinerles Private Limited ("LGM"), wholly owned subsidiary of the Company (name change w.e.f 8th January 2026)
 - Arka Financial Holdings Private Limited ("AFHPL"), wholly owned subsidiary of the Company.
 - Kirkoskar Americas Corporation ("KAC") wholly owned subsidiary of the Company.
 - Kirkoskar International ME FZE ("KIME"), wholly owned subsidiary of the Company w.e.f. 7th January 2025
 - Arka Fincap Limited ("AFL"), subsidiary of AFHPL and step-down subsidiary of the Company
 - Arka Investment Advisory Services Private Limited ("AIASPL"), wholly owned subsidiary of AFHPL and step-down subsidiary of the Company
 - Engines LPG, LLC doing business as Wildcat Power Gen ("Engines LPG LLC"), subsidiary of KAC and step-down subsidiary of the Company
 - Kirkoskar Advance Systems Private Limited ("KASPL"), wholly owned subsidiary of the Company w.e.f 30th March 2026
- KFD's (LGM) interest in ESVA Pumps India Private Limited (ESVA), based on the shareholding under the joint venture agreement, had been accounted for using equity method up to 28th September 2024.
- 14 The figures for the quarter ended 31st March 2026 are balancing figures between audited figures in respect of full financial year ended 31st March 2025 and the published year to date figures upto the third quarter ended 31st December 2025 which were subjected to "Limited Review" by the Statutory Auditors of the Company.
- 15 The figures for the previous periods have been regrouped wherever required to make them comparable with those of the current periods. The impact of such regroupings is not material to the consolidated financial results.
- 16 The above consolidated financial results for the quarter and year ended 31st March 2026 are reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 14th May 2026 and are subjected to audit by the Statutory Auditors of the Company.
- 17 The Board of Directors of the Company in its meeting held on 14th May 2026 has recommended a final dividend of ₹ 4.50/- (225%) per fully paid up equity share of ₹ 2 each for the year ended 31st March 2026.

Registered Office:
Laxmanrao Kirkoskar Road,
Khadki, Pune - 411003

Place : Pune
Date : 14th May 2026



For Kirkoskar Oil Engines Limited

Gauri Kirkoskar
Gauri Kirkoskar
Vice Chairperson and Managing Director
DIN : 03356274



Independent Auditor's Report on the Quarterly and Annual Consolidated Financial Results of Kirloskar Oil Engines Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**The Board of Directors of
Kirloskar Oil Engines Limited**

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying Consolidated Financial Results of Kirloskar Oil Engines Limited ("herein after referred as the "Holding Company") and its subsidiaries (Holding company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2026 attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial results of the subsidiaries as referred to under 'Other Matters' paragraph below, the aforesaid Consolidated Financial Results:

- i. Include the annual financial results of the following entities:
 - a. KOEL Fluid Dynamics Private Limited (KFD) formerly known as La-Gajjar Machineries Private Limited (wholly owned subsidiary)
 - b. Arka Financial Holdings Private Limited (AFHPL) (wholly owned subsidiary)
 - c. Arka Fincap Limited (subsidiary of AFHPL)
 - d. Arka Investment Advisory Services Private Limited (wholly owned subsidiary of AFHPL)
 - e. Kirloskar Americas Corporation (KAC) (wholly owned subsidiary)
 - f. Engines LPG, LLC doing business as Wildcat Power Gen (Subsidiary of KAC)
 - g. Kirloskar International ME FZE (UAE) (wholly owned subsidiary)
 - h. Kirloskar Advanced Systems Private Limited (KASPL) (wholly owned subsidiary) (w.e.f. March 30, 2026)
- ii. Are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. Give a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net profit and other comprehensive income) and

other financial information of the Group for the Quarter and year ended March 31, 2026.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of Companies Act, 2013 (the Act) as amended. Our responsibility under those Standards is further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group 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 financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements of the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Consolidated Financial Results

These quarterly and annual financial results have been prepared on the basis of Consolidated Financial Statements.

The Holding Company's Board of Directors are responsible for the preparation of these Consolidated Financial Results that give a true and fair view of the net profit and total comprehensive income (comprising of net profit and other comprehensive Income) and other financial information of the group in accordance with the Indian Accounting standards specified 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.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group, are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these Consolidated Financial Results.

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

- Identify and assess the risk of material misstatement of the Consolidated 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 a fraud is higher than one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such 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 Director's use of 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosure in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and the events in the manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financials statements/financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of audit of financial information of such entities included in the Consolidated Financial Results, of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding company and other entity included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of audit and the significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the 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.

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

Other Matters

- i. The Consolidated Financial Results include the audited Consolidated Financial Results of one subsidiary and audited Standalone Financial Results of two other subsidiaries whose financial statements, before consolidation adjustments, reflect Group's share of total assets of Rs. 7,402.61 Crores as at March 31, 2026, Group's share of total income of Rs. 594.01 Crores and Rs. 1,818.57 Crores, Group's share of total net profit of Rs. 51.76 Crores and Rs. 125.70 Crores and Group's share of total comprehensive income of Rs. 47.71 Crores and Rs. 157.17 Crores for the quarter and year ended March 31, 2026 respectively and cash outflow of Rs (13.10) Crores for the year ended as on that date, as considered in the Consolidated Financial Results, which have been audited by other independent auditors. The independent auditors' reports on Separate Financial Statements of these entities have been furnished to us by the management of the holding company and our opinion on the Consolidated Financial Results, in so far as it related to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of such auditors and the procedures performed by us as stated in the paragraph above.

- ii. The Consolidated Financial Results include the unaudited Consolidated Financial Results of a subsidiary and unaudited Standalone Financial Results of another subsidiary, whose financial statements, before consolidation adjustments, reflect Group's share of total assets of Rs. 81.60 Crores as at March 31, 2026, Group's share of total income of Rs 30.77 Crores and Rs. 70.22 Crores, Group's share of total net profit/ (loss) of Rs. (5.36) Crores and Rs. (20.16) Crores and Group's share of total comprehensive loss of Rs. (5.80) Crores and Rs. (20.69) Crores for the quarter and year ended March 31, 2026 respectively, and cash inflow of Rs. 0.63 Crores for the year ended as on that date as considered in the Consolidated Financial Results. These unaudited financial statements have been furnished to us by the management of the holding company and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management of the holding company, these financial statements are not material to the group.
- iii. The quarterly Consolidated Financial Results for the quarter ended March 31, 2026 are the derived figures between the audited figures for the year ended March 31, 2026 and the published year-to-date figures up to December 31, 2025, being the date of the end of the third quarter of the current financial year, which were subjected to limited review by us as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Our opinion on the Consolidated Financial Results is not modified in respect of the above matters including with respect to our reliance on the work done and the report of the other auditors and the financial statements/financial information certified by Board of Directors.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 26121007RZMQYU4910

Anu



Anagha M. Nanivadekar
Partner
Membership Number: 121007
Pune, May 14, 2026

Date: 14th May 2026

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,


Subject: Declaration in respect of Audit Report with unmodified opinion

Pursuant to the provisions of the Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments thereunder, we hereby state that G. D. Apte & Co., Chartered Accountants, Pune, (Firm Registration No. 100515W), Statutory Auditors of the Company, have issued an Audit Report with unmodified opinion, on the Standalone Audited financial results of the Company, for the quarter and year ended 31st March 2026 and Consolidated Audited financial results of the Company, for the quarter and year ended 31st March 2026.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,
For Kirloskar Oil Engines Limited



Sachin Kejriwal
Chief Financial Officer

Kirloskar Oil Engines Limited
A Kirloskar Group Company

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