



KIRLOSKAR ELECTRIC COMPANY LTD.,

Sect./71/2023-24
November 10, 2023

To,
The Secretary,
BSE LTD.,
Stock Exchange Towers,
Floor 25, PJ Towers, Dalal Street,
Mumbai – 400 051
Scrip Code 533193; Scrip ID KIRELECT

National Stock Exchange of India Limited
Exchange Plaza, Plot no. C/1, G-Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051
Symbol – KECL; Series – EQ

Dear Sir,

Sub: Outcome of Board meeting – Declaration of unaudited financial results;
Ref: Compliance with regulation 30 & 33 read with Schedule III of SEBI LODR Regulation, 2015;

Time of commencement of meeting : 11:30 AM
Time of conclusion of meeting : 12:20 PM

Pursuant to the regulation under subject, please find enclosed, Ind AS compliant unaudited standalone and consolidated financial results of the Company for the quarter & half year ended September 30, 2023 as approved by the Board of directors at its meeting held today i.e., on November 10, 2023 and signed by Mr. Vijay Ravindra Kirloskar, Executive Chairman of the Company. The audit report and statement on impact of audit qualifications are also enclosed.

This is for your information and dissemination.

Thanking you

Yours faithfully
for **Kirloskar Electric Company Limited**

Digitally signed by
MAHABALES
HWAR BHAT
Date: 2023.11.10
12:21:34 +05'30'

Mahabaleshwar Bhat
Company Secretary and Compliance Officer

Encl: a/a

Regd. Office: No. 19, 2nd Main Road, Peenya 1st Stage, Phase -1, Peenya, Bengaluru, Karnataka, 560058
T+91 80 2839 7256, F +91 80 2839 6727; Email Id: investors@kirloskarelectric.com
Customer care No. : 1800 102 8268, website: www.kirloskarelectric.com
CIN: L31100KA1946PLC000415



KIRLOSKAR ELECTRIC COMPANY LIMITED
 CIN:L31100KA1946PLC000415
 REGD OFFICE: NO.19 2ND MAIN ROAD, PEENYA 1ST STAGE, PHASE-1, PEENYA, BENGALURU-560 058.
 STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

(₹ in Lakhs)

Sl No	Particulars	Standalone						Consolidated						
		Quarter ended			Six months ended			Quarter ended			Six months ended			Year ended
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited		
I	Income from operations:													
	Revenue from operations	14,518	11,757	11,049	26,275	21,275	47,355	14,518	11,757	11,049	26,275	21,275	47,355	
II	Other income	99	121	965	220	1,202	1,608	100	122	1,582	222	1,819	2,225	
III	Total income (I+II)	14,617	11,878	12,014	26,495	22,477	48,963	14,618	11,879	12,631	26,497	23,094	49,580	
IV	Expenses:													
a	Cost of materials consumed	10,354	8,159	7,540	18,513	14,808	32,367	10,354	8,159	7,540	18,513	14,808	32,367	
b	Change in inventories of finished goods, work in progress and stock in trade	(357)	41	(502)	(316)	(140)	(296)	(357)	41	(502)	(316)	(140)	(296)	
c	Employee benefit expenses	1,859	1,825	1,650	3,684	3,210	6,588	1,859	1,825	1,650	3,684	3,210	6,588	
d	Finance costs	649	559	491	1,208	1,022	2,135	678	587	500	1,265	1,079	2,248	
e	Depreciation and amortisation expenses	128	126	125	254	248	500	128	126	125	254	248	500	
f	Other expenses	1,418	958	1,157	2,376	2,192	5,081	1,424	958	1,166	2,382	2,208	5,065	
	Total expenses	14,051	11,668	10,461	25,719	21,340	46,375	14,086	11,696	10,479	25,782	21,413	46,472	
V	Profit / (loss) before tax (III-IV)	566	210	1,553	776	1,137	2,588	532	183	2,152	715	1,681	3,108	
VI	Tax expense:													
a	Current Tax	-	-	-	-	-	-	-	-	-	-	-	-	
b	Deferred tax	-	-	-	-	-	-	-	-	-	-	-	-	
VII	Profit / (loss) after tax (V-VI)	566	210	1,553	776	1,137	2,588	532	183	2,152	715	1,681	3,108	
VIII	Other comprehensive income:													
	(i) Items that will not be reclassified to profit or loss													
a	Remeasurements of the defined benefit plans	-	-	-	-	-	32	-	-	-	-	-	32	
b	Taxes on above	-	-	-	-	-	(9)	-	-	-	-	-	(9)	
	(ii) Items that may be reclassified to profit or loss													
a	Mark to Market of Investments	1	3	9	4	8	12	1	3	9	4	8	12	
b	Revaluation gain on land	-	-	-	-	-	(98)	-	-	-	-	-	(98)	
c	Taxes on above	-	(1)	(2)	(1)	(2)	(1,459)	-	(1)	(2)	(1)	(2)	(1,459)	
	Total other comprehensive income	1	2	7	3	6	(1,522)	1	2	7	3	6	(1,522)	
IX	Total comprehensive income for the period (VII+VIII)	567	212	1,560	779	1,143	1,066	533	185	2,159	718	1,687	1,586	
	Paid-up equity share capital (face value of Rs. 10/- each)	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,641	
	Earnings per share(EPS) (face value of Rs. 10/- each)													
a	Basic EPS (not annualised)	0.85	0.32	2.34	1.17	1.71	3.90	0.80	0.28	3.24	1.08	2.53	4.68	
b	Diluted EPS (not annualised)	0.85	0.32	2.34	1.17	1.71	3.90	0.80	0.28	3.24	1.08	2.53	4.68	
	Paid-up debt capital/outstanding debts													
	Debt redemption reserve													
	Net worth				(22,261)	(24,519)	(23,040)							
	Fixed asset coverage ratio				3.72	3.58	3.52							
	Debt equity ratio				0.97	1.07	1.10							
	Debt service coverage ratio (DSCR)				1.81	2.33	2.42							
	Interest service coverage ratio (ISCR)				1.85	2.35	2.45							



REVENUES, RESULTS, ASSETS, LIABILITIES AND CAPITAL EMPLOYED FOR THE SEGMENTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2023

(₹ in Lakhs)

Sl No	Particulars	Standalone						Consolidated					
		Quarter ended			Six months ended			Quarter ended			Six months ended		
		September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023	September 30, 2023	June 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenues												
	Power generation/ distribution	5,914	5,049	4,007	10,963	8,361	19,924	5,914	5,049	4,007	10,963	8,361	19,924
	Rotating machines	8,022	6,535	6,007	14,557	11,328	24,480	8,022	6,535	6,007	14,557	11,328	24,480
	Others	635	273	1,144	908	1,752	3,423	635	273	1,144	908	1,752	3,423
	Total	14,571	11,857	11,158	26,428	21,441	47,827	14,571	11,857	11,158	26,428	21,441	47,827
	Less: Inter segment revenues	53	100	109	153	166	472	53	100	109	153	166	472
	Revenue from operations	14,518	11,757	11,049	26,275	21,275	47,355	14,518	11,757	11,049	26,275	21,275	47,355
2	Segment Results												
	Profit / (loss) before interest and tax expense												
	Power generation/ distribution	928	770	663	1,698	601	1,978	928	770	663	1,698	601	1,978
	Rotating machines	920	660	1,451	1,580	1,995	3,482	920	660	1,451	1,580	1,995	3,482
	Others	257	124	558	381	687	1,548	257	124	558	381	687	1,548
	Total	2,105	1,554	2,672	3,659	3,283	7,008	2,105	1,554	2,672	3,659	3,283	7,008
	Less: Interest	649	559	491	1,208	1,022	2,135	678	587	500	1,265	1,079	2,248
	Less: Other unallocable expenditure (net off unallocable income)	890	785	628	1,675	1,124	2,285	895	784	20	1,679	523	1,652
	Total profit / (loss) before tax expense	566	210	1,553	776	1,137	2,588	532	183	2,152	715	1,681	3,108
3	Segment Assets												
	Power generation/ distribution	9,133	8,152	7,226	9,133	7,226	7,923	9,133	8,152	7,226	9,133	7,226	7,923
	Rotating machines	38,320	37,893	37,051	38,320	37,051	37,499	38,320	37,893	37,051	38,320	37,051	37,499
	Others	8,557	8,614	8,913	8,557	8,913	8,804	8,557	8,614	8,913	8,557	8,913	8,804
	Total	56,010	54,659	53,190	56,010	53,190	54,226	56,010	54,659	53,190	56,010	53,190	54,226
	Add Unallocable Assets	7,385	7,735	7,771	7,385	7,771	7,817	6,567	6,926	6,928	6,567	6,928	7,019
	Total Segment Assets	63,395	62,394	60,961	63,395	60,961	62,043	62,577	61,585	60,118	62,577	60,118	61,245
4	Segment Liabilities												
	Power generation/ distribution	9,855	9,366	7,743	9,855	7,743	9,180	9,855	9,366	7,743	9,855	7,743	9,180
	Rotating machines	11,316	11,025	11,281	11,316	11,281	10,635	11,316	11,025	11,281	11,316	11,281	10,635
	Others	1,513	1,462	1,600	1,513	1,600	1,435	1,513	1,462	1,600	1,513	1,600	1,435
	Total	22,684	21,853	20,624	22,684	20,624	21,250	22,684	21,853	20,624	22,684	20,624	21,250
	Add Unallocable Liabilities	28,552	28,948	28,881	28,552	28,881	29,413	29,988	30,360	30,205	29,988	30,205	30,808
	Total Segment Liabilities	51,236	50,801	49,505	51,236	49,505	50,663	52,672	52,213	50,829	52,672	50,829	52,058
5	Capital Employed (Segment Assets-Segment Liabilities)												
	Power generation/ distribution	(722)	(1,214)	(517)	(722)	(517)	(1,257)	(722)	(1,214)	(517)	(722)	(517)	(1,257)
	Rotating machines	27,004	26,868	25,770	27,004	25,770	26,864	27,004	26,868	25,770	27,004	25,770	26,864
	Others	7,043	7,151	7,313	7,043	7,313	7,367	7,043	7,151	7,313	7,043	7,313	7,367
	Total capital employed in segments	33,325	32,805	32,566	33,325	32,566	32,974	33,325	32,805	32,566	33,325	32,566	32,974
	Add: Unallocated	(21,166)	(21,212)	(21,110)	(21,166)	(21,110)	(21,594)	(23,420)	(23,433)	(23,277)	(23,420)	(23,277)	(23,787)
	Total capital employed	12,159	11,593	11,456	12,159	11,456	11,380	9,905	9,372	9,289	9,905	9,289	9,187

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STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2023

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	As at September 30, 2023	As at March 31, 2023	As at September 30, 2023	As at March 31, 2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
ASSETS				
Non-current assets				
(a) Property, plant and equipment	43,792	43,928	43,792	43,928
(b) Capital work-in-progress	108	53	108	53
(c) Investment Property	-	-	5	5
(d) Other Intangible assets	49	15	49	15
(e) Financial assets				
(i) Investments	1,052	1,047	183	178
(ii) Trade Receivables	264	358	264	358
(iii) Other financial assets	233	225	233	225
(f) Other non-current assets	1,866	2,078	1,949	2,160
Total Non-current assets	47,364	47,704	46,583	46,922
Current assets				
(a) Inventories	5,439	5,168	5,484	5,214
(b) Financial assets				
(i) Trade receivables	4,303	3,035	6,689	5,430
(ii) Cash and cash equivalents	1,496	1,266	1,509	1,295
(iii) Other Bank balances	1,108	1,098	1,173	1,173
(c) Other current assets	3,685	3,772	1,139	1,211
Total Current assets	16,031	14,339	15,994	14,323
TOTAL ASSETS	63,395	62,043	62,577	61,245
EQUITY AND LIABILITIES				
Shareholders' funds				
(a) Share capital	6,641	6,641	6,641	6,641
(b) Other equity	5,518	4,739	3,260	2,542
Equity attributable to shareholders of Kirloskar Electric Company	12,159	11,380	9,901	9,183
Non-controlling interest	-	-	4	4
TOTAL EQUITY	12,159	11,380	9,905	9,187
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
(i) Other financial liabilities	594	596	594	596
(b) Provisions	2,829	2,756	2,829	2,756
(c) Deferred tax liabilities (net)	5,451	5,449	5,451	5,449
Total Non current liabilities	8,874	8,801	8,874	8,801
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	11,778	12,472	12,651	13,346
(ii) Trade payables				
(i) micro and small enterprises, and	441	1,228	441	1,228
(ii) other than micro and small enterprises	16,180	15,174	16,181	15,177
(iii) Other financial liabilities	405	14	883	435
(b) Provisions	3,412	3,444	3,412	3,444
(c) Other current liabilities	10,146	9,530	10,230	9,627
(d) Current tax liabilities (net)	-	-	-	-
Total Current liabilities	42,362	41,862	43,798	43,257
TOTAL EQUITY AND LIABILITIES	63,395	62,043	62,577	61,245






KIRLOSKAR ELECTRIC COMPANY LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2023

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2023 (Unaudited)	September 30, 2022 (Unaudited)
Cash flows from operating activities				
Profit / (loss) before taxation	776	1,137	715	1,681
Adjustments for:				
Depreciation and amortisation	254	248	254	248
Provisions (net)	(334)	337	(334)	337
(Profit)/loss on sale of fixed assets	(2)	(6)	(2)	(465)
Interest income	(81)	(36)	(82)	(36)
Finance costs	1,208	1,022	1,265	1,079
	1,045	1,565	1,101	1,163
	1,821	2,702	1,816	2,844
(Increase)/ decrease in trade and other receivables	(711)	(578)	(717)	(887)
(Increase)/ decrease in inventories	(271)	(305)	(271)	(305)
Increase/ (decrease) in trade payables and other current liabilities	834	(2,182)	818	(2,198)
	(148)	(3,065)	(170)	(3,390)
Income taxes paid	1,673	(363)	1,646	(546)
	(158)	32	(158)	37
Net cash from operating activities	1,831	(395)	1,804	(583)
Cash flows from investing activities				
Purchase of property, plant and equipment	(164)	(100)	(164)	(99)
Proceeds from sale of property, plant and equipment	3	5	3	465
Proceeds from sale of investment property	-	-	-	10
Interest received	88	31	89	31
Increase in margin money and short term deposits	(17)	(169)	(7)	(169)
Net cash from investing activities	(90)	(233)	(79)	238
Cash flows from financing activities				
ICD's Accepted	3,250	-	3,250	-
ICD's Repaid net	(684)	(321)	(684)	(321)
Repayment of fixed deposits from public	(5)	(3)	(5)	(3)
Increase/ (decrease) of short term borrowings (net)	(3,255)	(727)	(3,255)	(727)
Finance costs	(817)	(895)	(817)	(1,053)
Net cash from financing activities	(1,511)	(1,946)	(1,511)	(2,104)
Net increase/(decrease) in cash and cash equivalents	230	(2,574)	214	(2,449)
Cash and cash equivalents at beginning of the year	1,266	3,671	1,295	3,688
Cash and cash equivalents at end of the year	1,496	1,097	1,509	1,239


KIRLOSKAR ELECTRIC COMPANY LIMITED
BANGALORE


N. PRABHASHANKAR & CO.
BENGALURU
CHARTERED ACCOUNTANTS

Notes:

- 1 The above unaudited standalone and consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on November 10, 2023.
- 2 The standalone and consolidated financial results of the Company for the quarter and six months ended September 30, 2023 have been subject to limited review by its Statutory auditors.
- 3 The Company has prepared these Standalone and Consolidated financial results in accordance with Companies (Indian Accounting Standard) Rules, 2015 as amended as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the relevant rules issued thereunder as amended and the other accounting principles generally accepted in India.
- 4 As a measure of restructuring and with the consent of Lead Bank and other Lender banks under the Joint Lender Forum (JLF) mechanism, the Company had transferred in the year ended March 31, 2015 certain assets comprising of immovable properties, receivables and inventory to its subsidiaries - Kelbuzz Trading Private Limited, SKG Terra Promenade Private Limited and SLPKG Estate Holdings Private Limited, which will function as special purpose vehicles to hold such assets, dispose off the same and pay off certain debts (bank dues) transferred by the Company. The amounts outstanding and due from the subsidiaries as at September 30, 2023 in respect of the transfer of the assets as mentioned above, other expenses incurred by the subsidiaries reimbursed by the Company and interest charged totally amounts to ₹11,362.72 lakhs (₹11,384.28 lakhs as at March 31, 2023) after considering Ind AS adjustments. As on date, the majority of the immovable properties in these subsidiaries have been disposed off and the debts including the interest thereon have been paid. All the Banks (Financial liabilities) in these subsidiaries have been paid off. The Company is in the process of taking necessary steps for disposing the remaining immovable properties and inventories and realisation of receivables in these subsidiaries. The Board of Directors are confident of disposing the remaining assets in these subsidiaries and repaying the pending dues to the Company. However, based on expected credit losses as prescribed under Ind AS as against the incurred loss model envisaged under earlier GAAP, a sum of ₹8,400.77 lakhs has been provided upto September 30, 2023 (₹8,400.77 lakhs provided upto March 31, 2023).
- 5 In case of Consolidated unaudited financial results - Confirmation of balances from customers are awaited in certain cases. Accounts with certain parties are under review and reconciliation. Provision has been made to the extent required and further adjustments if any, will be made on completion of review/reconciliation. The debts exceeding two years and considered good of recovery by the management is estimated at ₹ 2,421 lakhs.
- 6 The net worth (after excluding revaluation reserve) of the group in terms of the consolidated financial statements as at September 30, 2023 consisting of the Company, its subsidiaries and its associate is eroded. The company has repaid all term loans which were restructured under JLF mechanism. Also the company is in advance stage of negotiation for monetization/disposal of assets which will improve the working capital and in turn improve the performance in the forthcoming periods. The company is confident that this funding will have a positive impact on the performance and net worth. Accordingly your directors have prepared these financial results of the company on the basis that it is a going concern and that no adjustments are considered necessary to the carrying value of assets and liabilities.
- 7 The Company has filed before the honorable Supreme Court, special leave petition (SLP) in respect of resale tax penalty demand of ₹527 lakhs on its erstwhile subsidiary Kaytee Switchgear Limited (since merged with the parent company) and confirmed by the honorable High Court of Karnataka. This SLP has been admitted by the honorable Supreme Court. The Company believes based on legal advice / internal assessment that the outcome of the contingency will be favorable, that loss is not probable and no provision is required to be recognized in this respect.
- 8 Other Income for the year ended March 31, 2023 in standalone Financial results includes ₹199.08 lakhs profit on sale of properties of the Company situated at Gudimangalam.







- 9 Other Income for the year ended March 31, 2023 in Consolidated Financial results includes ₹467.16 lakhs profit on sale of properties of the Company situated at Nehru place, Delhi.
- 10 The outstanding loan of Union Bank of India has been paid during the year ended March 31, 2023 and settled as per the mutual consent.
- 11 On October 03, 2022, the Company has entered into an Agreement to Sell, its immovable property, situated at Gokul Road, Hubballi admeasuring 31 Acres 24 Guntas for a consideration of ₹ 9,512 lakhs, on such terms and conditions as set out in the Agreement to sell. Currently the Company is in the process of completing the required legal compliance, post which the sale will be completed.
- 12 Details of Secured Redeemable Non-Convertible Debentures - NIL
- 13 The following have been computed as:
- Paid up debt capital/outstanding debt= Non Current Borrowing, current portion of long term borrowings and current borrowings.
 - Debt equity ratio= Aggregate of outstanding debts/Equity attributable to shareholders.
 - DSCR= Profit or (Loss) before Depreciation and amortisation expense, finance costs, exceptional items and tax/(Long Term Loan principal repaid+Finance costs-Finance income).
 - ISCR= Profit or (Loss) before Depreciation and amortisation expense, finance costs, exceptional items and tax and finance income/Finance costs.
 - Fixed asset coverage ratio= Revalued Value of Property, Plant & Equipment and Capital Work in Progress / Long Term Loan.
- 14 Previous period figures have been regrouped wherever necessary to confirm with the current period presentation.

Place: Bengaluru
Date: November 10, 2023

(Vijay R Kirloskar)
Executive Chairman
DIN: 00031253



K.N. PRABHASHANKAR & CO.

CHARTERED ACCOUNTANTS

S-2, Narayana, 25, Mission Road, Shama Rao Compound

Bangalore - 560 027. India

Telefax: +91-80-22237045, +91-80-22241284

e-mail: knp@akpco.com

Independent Auditor's Review Report on Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors
Kirloskar Electric Company Limited
Bengaluru.

1. We have reviewed the accompanying Statement of Unaudited Standalone financial results of Kirloskar Electric Company Limited ('the Company') for the quarter and six months ended September 30, 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 ("the Regulation") read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. This Statement, which is the responsibility of the company's management and approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (Ind AS 34) - Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as applicable and other accounting principles generally accepted in India, read with the Circular. Our responsibility is to express an opinion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. **Basis of Qualified Opinion:**

Attention of the Directors is invited to note 4 to the unaudited financial results regarding the amounts due to the Company from certain subsidiaries towards part consideration receivable on sale/assignment of certain immovable properties, receivables, interest charged and expenses reimbursed. We have relied on the management's representations that it is confident of realization of amounts due to the said subsidiaries aggregating to ₹11,362.72 lakhs (₹11,384.28 lakhs as at March 31, 2023) against which provision is recognized for an amount of ₹8,400.77 lakhs as at September 30, 2023. Pending disposals/realization of assets by the subsidiaries, shortfall in realization of the amount outstanding (net of provision), if any, could not be ascertained.

5. Based on our review conducted and procedures performed as per paragraph 3 above except for the effects in respect of the matter stated in the paragraph on "Basis of Qualified Opinion" and read with note 4 to the unaudited financial results, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not



disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Key Audit Matters:

a) Note 6 of the unaudited financial results - The directors have detailed the reasons for preparing these unaudited financial results on a going concern basis, though the Company/Group (consisting of the Company, its subsidiaries and associate) has accumulated losses and their net worth (after excluding Revaluation Reserve) is eroded. There are certain overdue payments to creditors.

- We have relied on the representations made by the Company and the appraisal of the restructuring plan including monetization of few non-core assets, projection of increase in turnover and infusion of funds in the near future. The appropriateness of the said basis of Going Concern is subject to the Company adhering to the restructuring plan and infusion of requisite funds. Hence, we are of the opinion that there is no existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

7. Emphasis of Matter:

Without modifying our opinion, we invite the attention of the directors to:

Note 7 of the unaudited financial results, which states that the Company has filed Special Leave Petition in respect of demands of resale tax penalty of ₹527 lakhs before the honorable Supreme Court of India. The Management has represented to us that it is not probable that there will be an outflow of economic benefits and hence no provision is required to be recognized in this regard. We have relied on this representation. Our opinion is not modified in respect of this matter.

Place: Bengaluru
Date: November 10, 2023



for K N Prabhashankar & Co.
Chartered Accountants
Firm Regn. No. 004982S

A handwritten signature in blue ink, appearing to read "K. N. Prabhashankar".

K. N. Prabhashankar
Partner
M. No. 019575

UDIN: 23019575BGYJVK1145

K.N. PRABHASHANKAR & CO.

CHARTERED ACCOUNTANTS

S-2, Narayana, 25, Mission Road, Shama Rao Compound

Bangalore - 560 027. India

Telefax: +91-80-22237045, +91-80-22241284

e-mail: knp@akpco.com

Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Board of Directors
Kirloskar Electric Company Limited
Bengaluru.

1. We have reviewed the accompanying Statement of Unaudited Consolidated financial results of Kirloskar Electric Company Limited ("the Parent") and its subsidiaries and associates (the Parent and its subsidiaries and associates collectively referred as "Group"), and its share of net profit/(loss) after tax and total comprehensive income for the quarter and six month ended September 30, 2023, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Regulation") read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 ("the Circular").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (Ind AS 34) - Interim Financial Reporting, prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder as applicable and other accounting principles generally accepted in India, read with the Circular. Our responsibility is to express an opinion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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

4. Basis of Qualified Opinion:

Attention of the Directors is invited to note 5 to the unaudited financial results regarding trade receivables/book debts exceeding two years and considered good by the management estimated at ₹2,421 lakhs. The relevant accounts subject to adjustments, if required after management completes review, reconciliation and identification of doubtful debts. We are unable to express an independent opinion on the extent of shortfall in the recovery of the same.



5. The Statement includes the Unaudited financial results of the following entities:
- Kirsons B V
 - Kelbuzz Trading Private Limited
 - Luxquisite Parkland Private Limited
 - SKG Terra Promonede Private Limited
 - SLPKG Estate Holding Private Limited
6. Based on our review conducted and procedures performed as stated in paragraph 3 above except for the effects in respect of the matter stated in the paragraph on "Basis of Qualified Opinion" and read with note 5 to the unaudited financial results, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with the recognition and measurement principles laid down in the applicable Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulation, read with the Circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. Key Audit Matters:

- a) Note 6 of the unaudited financial results - The directors have detailed the reasons for preparing these unaudited financial results on a going concern basis, though the Company/Group (consisting of the Company, its subsidiaries and associate) has accumulated losses and their net worth (after excluding Revaluation Reserve) is eroded. There are certain overdue payments to creditors.
- We have relied on the representations made by the Company and the appraisal of the restructuring plan including monetization of few non-core assets, projection of increase in turnover and infusion of funds in the near future. The appropriateness of the said basis of Going Concern is subject to the Company adhering to the restructuring plan and infusion of requisite funds. Hence, we are of the opinion that there is no existence of material uncertainty that may cast a significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

8. Emphasis of Matter:

Without modifying our opinion, we invite the attention of the directors to:

- a) Note 7 of the unaudited financial results, which states that the Company has filed Special Leave Petition in respect of demands of resale tax penalty of ₹527 lakhs before the honorable Supreme Court of India. The Management has represented to us that it is not probable that there will be an outflow of economic benefits and hence no provision is required to be recognized in this regard. We have relied on this representation. Our opinion is not modified in respect of this matter.
9. One of these subsidiaries is located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in its respective county by the Subsidiary management and the Parent's management has converted the financial results from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the information and conversion adjustments prepared by the management of the Parent and reviewed by us.



10. The accompanying unaudited consolidated financial results includes the unaudited interim financial results of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenues of ₹Nil, total net loss after tax and total comprehensive loss of ₹(33) lakhs and ₹(61) lakhs for the quarter and six months ended September 30, 2023 respectively, as considered in the consolidated unaudited financial results. These interim unaudited financial results have been approved and furnished to us by the management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on such unaudited financial results and other unaudited financial information of these subsidiaries provided by the management. Our conclusion on the Statement is not modified in respect of the above matter.

Place: Bengaluru
Date: November 10, 2023



for K N Prabhashankar & Co.
Chartered Accountants
Firm Regn. No. 004982S

A handwritten signature in black ink, appearing to read "K.N. Prabhashankar".

K.N. Prabhashankar
Partner

M. No. 019575

UDIN: 23019575BG7JVL9416