



KIRLOSKAR ELECTRIC COMPANY LTD.,

Sect./31/2024-25
August 06, 2024

To,
The Manager,
Corporate Relationship Department,
BSE Limited,
2nd Floor, New Trading Ring,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.
Scrip: 533193; ISIN: INE134B01017

The Manager,
The Listing Department,
National Stock Exchange of India Limited,
C-1, Block 'G', 5th Floor, Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400051.
Symbol: KECL; ISIN: INE134B01017;

Dear Sir,

Sub: Outcome of the Board meeting;

Ref: Regulation 30 & 33 of SEBI (LODR) Regulations, 2015 read with Schedule III;

Time of commencement of meeting : 11:30 A.M
Time of conclusion of meeting : 12:44 P.M
Date and time of occurrence of information : August 06, 2024 at 12:44 PM.

Pursuant to regulations under reference, this is to inform that the Board of directors at its meeting held today, i.e., August 06, 2024 has approved the following:

1. Ind AS compliant unaudited standalone and consolidated financial results of the Company for the quarter ended June 30, 2024 signed by Mr. Vijay Ravindra Kirloskar (DIN: 00031253), Executive Chairman of the Company, is enclosed along with limited review report by the Statutory Auditors as **Annexure-1**.
2. Based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members of the Company, Mr. Mohammed Saad Bin Jung (DIN: 00264525) has been appointed as an Additional Director in the capacity of 'Non Executive Independent Director' of the Company, not liable to retire by rotation, for a term of five (5) consecutive years, with effect from August 06, 2024. Mr. Mohammed Saad Bin Jung is not related to any director of the Company. Mr. Mohammed Saad Bin Jung is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. The Board of directors is confident that his vast experience will benefit immensely to the Company.



KIRLOSKAR ELECTRIC COMPANY LTD.,

Brief Profile:

Mr. Mohammed Saad Bin Jung, aged about 63 years, is a Bachelor of Arts from Nizam College / Osmania University. Mr. Jung is a former Indian cricketer who played first-class cricket from 1978 to 1984. He is now a columnist, a conservationist and an author. He was a member of the Wildlife Advisory Board of Karnataka. He runs a very successful jungle resort 'The Bandipur Cottage - Bush Betta near Bandipur', an angling camp in the heart of Cauvery Wildlife Sanctuary, and a top-of-the-line boutique and exclusive wildlife camp on the banks of Kabini river near Nagarhole National Park (also known as Rajiv Gandhi National Park) called 'The Bison', all of which he had founded. Mr. Jung has established an angling camp from 1997-2010 for which BBC did a series called "The Accidental Angler" on the camp, established and runs Africa Expeditions & Safari (P) Limited and also established & runs Buffer Conflict Resolution Trust of India. Mr. Jung has Safari experience in Africa since 1995 and has extensive field experience along with market knowledge. He has appeared on various television channels as an Expert on sport and ecology.

He has written three books, all with conservation themes: 'Wild Tales from the Wild'; 'Subhan and I: My Adventure with the Angling Legend of India'; and a novel, 'Matabele Dawn', a thriller set in Africa and India. In his endeavor to conserve wildlife, he has created awareness against ills that plague rural Indian society and has provided vocational training to the locals of the areas he worked in (near Bandipur, Nagarhole, and Cauvery Wildlife Sanctuary of Karnataka), giving them hope and a way to make a legitimate living.

3. Based on the recommendation of Nomination and Remuneration Committee, Dr. Pangal Ranganath Nayak (DIN: 01507096) is hereby appointed as an Additional Director in the capacity of 'Non Executive Independent Director' of the Company, not liable to retire by rotation, for a term of five (5) consecutive years with effect from August 06, 2024. Dr. Pangal Ranganath Nayak is not related to any director of the Company. Dr. Pangal Ranganath Nayak is not debarred from holding the office of director by virtue of any SEBI order or any other such authority. The Board of directors is confident that his vast experience will benefit immensely to the Company.

Brief Profile:

Dr. Pangal Ranganath Nayak aged about 66 years, is a MD, Diplomate of National Board (DNB) of General Medicine, holds Doctorate of Medicine in Cardiology and he has been a fellow associate of the Royal College of Physicians (FRCP) of Edinburgh, the Indian College of Cardiology, the Endovascular Society of India, and the Vascular Society of India. Dr. Nayak is a renowned cardiologist associated with Manipal Hospitals in Millers Road, Bangalore. Dr. Nayak is actively involved with various societies, including the Cardiological Society of India and the Association of



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Physicians of India, where he contributes his expertise and stays updated with the latest advancements in the field.

Dr. Nayak is also recognized as an accomplished speaker and trainer at international and national meetings, where he communicates his knowledge and expertise with fellow medical professionals apart from his clinical practice. He is a recognised teacher of the Dip NB (cardiology) program and has mentored many trainees under his guidance. Moreover, he is an associate fellow of the American College of Cardiology, further demonstrating his dedication to his field and continuous professional development. Dr. Nayak has received multiple prestigious awards throughout his career. In 1991, he was awarded the Hargobind Overseas Training Fellowship, an esteemed recognition for his training in interventional cardiology in Australia and France, Nightingales Award in 2004, presented by the Hon'ble Chief Minister of Karnataka for outstanding services in the field of Cardiology. In 2010, he was honored with the Rajatha Puraskar, further solidifying his reputation as a distinguished medical professional.

Field of Expertise

- Clinical Cardiology and Heart Failure
- Evidence and clinical-based complex coronary, peripheral and structural interventions

Fellowship & Membership

- Fellow of the Royal College of Physicians of Edinburgh.
- Indian College of Cardiology.
- Endovascular Society of India.
- Vascular Society of India.
- Associate Fellow, American College of Cardiology.
- Cardiological Society of India.
- Association of Physicians of India.

4. Based on the recommendation of the Audit Committee at its meeting held today and subject to approval of shareholders at the ensuing Annual General Meeting to be held for the financial year 2023-24, re-appointment of M/s. K N Prabhashankar & Co., Chartered Accountants, Bengaluru as Statutory Auditors of the Company for the term of 3 (three) financial years commencing from the conclusion of ensuing 77th Annual General Meeting ("AGM") till the conclusion of the 80th AGM to be held in the year 2027. Further, the details as required to be disclosed in terms of SEBI Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 09th September, 2015 is given as **Annexure 2**.



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5. Based on the recommendation of the Audit Committee at its meeting held today, appointment of M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (FRN: 000065) as Cost Auditors of the Company for the financial year ended March 31, 2025. The Disclosures required under clause 7 of Para A of Part A of Schedule III to the SEBI (LODR) Regulations, 2015 and SEBI circular dated July 13, 2023 is annexed as **Annexure 2**.

This is for your information and dissemination.

Yours faithfully
for **Kirloskar Electric Company Limited**

Mahabaleshwar Bhat
Company Secretary and Compliance Officer

Encl: a/a



KIRLOSAR 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 ENDED JUNE 30, 2024

(₹ in Lakhs)

Sl No	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	
	Income from operations:								
I	Revenue from operations	13,347	16,853	11,757	55,735	13,347	16,853	11,757	55,735
II	Other income	93	224	121	793	98	228	122	799
III	Total income (I+II)	13,440	17,077	11,878	56,528	13,445	17,081	11,879	56,534
IV	Expenses:								
a	Cost of materials consumed	10,851	11,350	8,159	38,804	10,884	11,350	8,159	38,804
b	Change in inventories of finished goods, work in progress and stock in trade	(1,658)	1,049	41	417	(1,691)	1,049	41	417
c	Employee benefit expenses	1,925	1,931	1,825	7,653	1,925	1,931	1,825	7,653
d	Finance costs	624	527	559	2,452	652	654	587	2,565
e	Depreciation and amortisation expenses	132	126	126	502	132	126	126	502
f	Other expenses	1,339	1,420	958	5,183	1,343	1,429	958	5,185
	Total expenses	13,213	16,503	11,668	55,011	13,245	16,539	11,696	55,126
V	Profit before tax (III-IV)	227	574	210	1,517	200	542	183	1,408
VI	Tax expense:								
a	Current Tax	-	-	-	-	7	-	-	-
b	Deferred tax	-	-	-	-	-	-	-	-
VII	Profit after tax (V-VI)	227	574	210	1,517	193	542	183	1,408
VIII	Other comprehensive income:								
	(i) Items that will not be reclassified to profit or loss								
a	Remeasurements of the defined benefit plans	-	(63)	-	(63)	-	(63)	-	(63)
b	Taxes on above	-	18	-	18	-	18	-	18
	(ii) Items that may be reclassified to profit or loss								
a	Mark to Market of Investments	6	5	3	12	6	5	3	12
b	Revaluation gain on land	-	-	-	-	-	-	-	-
c	Taxes on above	(2)	(2,321)	(1)	(2,323)	(2)	(2,321)	(1)	(2,323)
	Total other comprehensive income	4	(2,361)	2	(2,356)	4	(2,361)	2	(2,355)
IX	Total comprehensive income for the period (VII+VIII)	231	(1,787)	212	(839)	197	(1,819)	185	(948)
	Paid-up equity share capital (face value of ₹ 10/- each)	6,641	6,641	6,641	6,641	6,641	6,641	6,641	6,641
	Other Equity				3,899				
	Earnings per share(EPS) (face value of ₹ 10/- each)								
a	Basic EPS (not annualised)	0.34	0.86	0.32	2.28	0.29	0.82	0.28	2.12
b	Diluted EPS (not annualised)	0.34	0.86	0.32	2.28	0.29	0.82	0.28	2.12



REVENUES, RESULTS, ASSETS, LIABILITIES AND CAPITAL EMPLOYED FOR THE SEGMENTS FOR THE QUARTER ENDED JUNE 30, 2024

(₹ in Lakhs)

Sl No	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024	June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	
1	Segment Revenues								
	Power generation/ distribution	6,066	8,133	5,049	24,330	6,066	8,133	5,049	24,330
	Rotating machines	7,668	7,990	6,535	29,319	7,668	7,990	6,535	29,319
	Others	389	1,866	273	3,451	389	1,866	273	3,451
	Total	14,123	17,989	11,857	57,100	14,123	17,989	11,857	57,100
	Less: Inter segment revenues	776	1,136	100	1,365	776	1,136	100	1,365
	Revenue from operations	13,347	16,853	11,757	55,735	13,347	16,853	11,757	55,735
2	Segment Results								
	Profit before interest and tax expense								
	Power generation/ distribution	777	632	770	3,061	777	632	770	3,061
	Rotating machines	729	607	660	2,706	729	607	660	2,706
	Others	179	685	124	1,502	179	685	124	1,502
	Total	1,685	1,924	1,554	7,269	1,685	1,924	1,554	7,269
	Less: Interest	624	627	559	2,452	652	654	587	2,565
	Less: Other unallocable expenditure (net of unallocable Income)	834	723	785	3,300	833	728	784	3,296
	Total profit before tax expense	227	574	210	1,517	200	542	183	1,408
3	Segment Assets								
	Power generation/ distribution	10,023	9,898	8,152	9,898	10,023	9,898	8,152	9,898
	Rotating machines	38,935	38,255	37,893	38,255	38,935	38,255	37,893	38,255
	Others	8,599	9,185	8,614	9,185	8,599	9,185	8,614	9,185
	Total	57,557	57,338	54,659	57,338	57,557	57,338	54,659	57,338
	Add: Unallocable assets	6,710	7,486	7,735	7,486	5,883	6,676	6,926	6,676
	Total segment assets	64,267	64,824	62,394	64,824	63,440	64,014	61,585	64,014
4	Segment Liabilities								
	Power generation/ distribution	11,801	11,539	9,366	11,539	11,801	11,539	9,366	11,539
	Rotating machines	14,468	14,591	11,025	14,591	14,468	14,591	11,025	14,591
	Others	705	811	1,462	811	705	811	1,462	811
	Total	26,974	26,941	21,853	26,941	26,974	26,941	21,853	26,941
	Add: Unallocable liabilities	26,522	27,343	28,948	27,343	28,034	28,839	30,360	28,839
	Total segment liabilities	53,496	54,284	50,801	54,284	55,008	55,780	52,213	55,780
5	Capital Employed (Segment Assets-Segment Liabilities)								
	Power generation/ distribution	(1,779)	(1,642)	(1,214)	(1,642)	(1,779)	(1,642)	(1,214)	(1,642)
	Rotating machines	24,468	23,664	26,868	23,664	24,468	23,664	26,868	23,664
	Others	7,894	8,374	7,151	8,374	7,894	8,374	7,151	8,374
	Total capital employed in segments	30,583	30,396	32,805	30,396	30,583	30,396	32,805	30,396
	Add: Unallocated	(19,812)	(19,856)	(21,212)	(19,856)	(22,151)	(22,162)	(23,433)	(22,162)
	Total capital employed	10,771	10,540	11,593	10,540	8,432	8,234	9,372	8,234

M. S. K. Prabhakar


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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 August 06, 2024.
- 2 The standalone and consolidated financial results of the Company for the quarter ended June 30, 2024 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 inventories 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 June 30, 2024 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 ₹11,090.47 lakhs (₹11,153.84 lakhs as at March 31, 2024) 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. 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 June 30, 2024 (₹8,400.77 lakhs provided upto March 31, 2024).
The Board of Directors in its meeting held on May 23, 2024, has approved the merger of its wholly owned subsidiaries Kelbuzz Trading Private Limited, SKG Terra Promenade Private Limited, SLPKG Estate Holdings Private Limited and Luxquisite Parkland Private Limited with the Holding company. The Company is in the process of filling the application of Merger with NCLT.
- 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 ₹ 2,214 lakhs.
- 6 The net worth (after excluding revaluation reserve) of the group in terms of the consolidated financial statements as at June 30, 2024 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 On October 03, 2022, the Company has entered into an Agreement to Sell (ATS) a part of 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 ATS.

As per the ATS, permission for Change of land use was to be obtained by the Company from the concerned authorities. Accordingly, the Company had filed an application with Hubli Dharwad Urban Development Authority (HUDA) for change of Land use. The HUDA had directed the Company to submit PT Sheet and 11e Sketch issued by the Survey department. After submission and numerous follow-ups with the concerned authorities, as there was delay in completing the required process by these authorities, the Company approached the Honourable High Court of Karnataka, Dharwad Bench for relief and has obtained necessary directions which is imparted to the Survey department. Accordingly, the PT sheet has been arranged and the file is with HUDA to complete the change of land use procedure.

On August 03, 2024, HUDA has recommended the Company's application for change of land use to Commissioner Urban Development and Authority and Urban and Rural Planning Commission for their approval.

The Company will complete the Sale process on receipt of the final approval.

9 During the quarter ended December 31, 2023, Company has closed its branch situated at Kuala Lumpur, Malaysia. Effective date of closure is September 30, 2023. Closure of Branch has no impact on the operations of the Company.

10 Company has discontinued the component machining activity at unit – 15 situated at Bhudihal, Bangalore Rural District with effect from January 22, 2024. Discontinuation has no impact on the operations of the Company. All workers have been relieved from duty and all their compensation dues have been paid.

11 On March 20, 2024 the Company has entered into an Agreement to Sell part of its immovable property, situated at Gokul Road, Hubballi, admeasuring 1.06 acre equivalent for a consideration of ₹ 300 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 During the Quarter and year ended March 31, 2024, Subsidiaries of the Company, Kelbuzz Trading Private Limited, SKG Terra Promenade Private Limited, Luxquisite Parkland Private Limited and SLPKG Estate Holdings Private Limited have redeemed their entire Preference share capital of Rs 1 Lakhs each.

13 Previous period figures have been regrouped wherever necessary to confirm with the current period presentation.

14 The figures for the quarter ended March 31, 2024 are the balancing figures between the audited figures in respect of the full year ended March 31, 2024 and published figures of unaudited figures for the nine months ended December 31, 2023.

Place: Bengaluru

Date: August 6, 2024

(Vijay R Kirloskar)

Executive Chairman

DIN: 00031253



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 ended June 30, 2024 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 ₹11,090.47 lakhs (₹11,153.84 lakhs as at March 31, 2024) against which provision is recognized for an amount of ₹8,400.77 lakhs as at June 30, 2024. 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.

8. The figures for the quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2024 and the published year-to-date figures upto December 31, 2023, being the date of the end of the third quarter of the current financial year, subjected to a limited review by us.

Place: Bengaluru
Date: August 06, 2024



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


A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 24222945BKFAMS2950

K N PRABHASHANKAR & CO.
CHARTERED ACCOUNTANTS
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Bengaluru - 560 027, India
Telefax: +91-80-22237045, +91-80-22241284
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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 ended June 30, 2024, 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 ₹2,214 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:

- a. Kirsons B V
- b. Kelbuzz Trading Private Limited
- c. Luxquisite Parkland Private Limited
- d. SKG Terra Promonede Private Limited
- e. 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 ₹(28.17) lakhs for the quarter ended June 30, 2024 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: August 06, 2024



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

A handwritten signature in blue ink, appearing to be "A. Umesh Patwardhan".

A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 24222945BKFAMT5378



KIRLOSKAR ELECTRIC COMPANY LTD.,

Annexure – 2

The disclosure required under schedule III read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2024:

Re-appointment of Statutory Auditors

Sr. No.	Details of events that needs to be provided	Information of such events
1.	Reasons for Change	Re-appointment
2.	Date of Appointment/ cessation & Term of appointment	At the ensuing Annual General Meeting of the Company for a period of 3 (three) financial years commencing from the conclusion of ensuing 77 th Annual General Meeting(“AGM”) till the conclusion of the 80 th Annual General Meeting to be held in the year 2027.
3.	Brief profile	Refer to Annexure 3

Appointment of Cost Auditors

Sr. No.	Details of events that needs to be provided	Information of such events
1.	Reasons for Change	Appointment
2.	Date of Appointment/ cessation & Term of appointment	Date of appointment:06.08.2024 Term: One year (for the Financial year 2024-25).
3.	Brief profile	The firm was established in the year 1994.It is based out of Bengaluru. The partners are Mr. N. Ramaskanda (Membership No: 9750) & Mr. K.R. Murali Krishna (Membership No: 21622). It offers wide range of services which comprises of statutory & non- statutory services.

K N PRABHASHANKAR & CO.,
CHARTERED ACCOUNTANTS
BRIEF PROFILE

YEAR OF ESTABLISHMENT

1991

ADDRESS

S-2, NARAYANA,
25, Mission Road,
Shama Rao Compound,
Bengaluru - 560 027
Tel. 080- 22237045
Fax: 080- 22241284
Email: knp@akpco.com

BRANCHES:

105, Swiss Complex,
33, Race Course Road,
Bengaluru 560001
Tel. 080- 22261121
Email: rameshjoshirj@yahoo.com

OFFICE STAFF:

Audit Managers - 3

PARTNERS

Name	Designation	Qualification	Experience
CA K.N. Prabhashankar	Senior Partner	B. Com., FCA	Over 44 years of experience of Finance, Accounts, Audit and Direct taxation
CA Ramesh Joshi	Senior Partner	B. Com., FCA	Over 34 years of experience of Finance, Accounts, Audit and Direct taxation
CA Umesh.A. Patwardhan	Partner	B. Com., FCA	Over 14 years of experience of Finance, Accounts, Audit and Direct taxation

MAJOR ASSIGNMENTS HANDLED BY PARTNERS

CA K.N. Prabhashankar	<p>Was a Director on the Board of State Bank of Mysore, Signed Balance Sheets of New India Assurance Co. Ltd.(Karnataka Region), Karnataka Soaps and Detergents Ltd., Divisions of Hindustan Aeronautics Ltd., Divisions of HMT Ltd., Mandya National Paper Mills Ltd., Division of The Oriental General Insurance Co., Ltd., Karnataka Land Army Corporation Ltd., The Hutti Gold Mines Company Ltd. Has handled independently audits of listed and unlisted companies with large turnovers. Also has vast experience in handling Income Tax matters of both Corporate sector and non-corporate sector. Experience in Mergers and Acquisitions, Due Diligence Reporting etc.</p>
CA Ramesh Joshi	<p>Has experience of handling both corporate and non corporate clients. He is specialized in Project Funding for medium and large enterprises.</p>
CA Umesh.A. Patwardhan	<p>Has got exposure in handling Corporate Audits and Taxation. Has independently in charge of Public sector audits and Bank audits. Has also handled the audits of large listed and unlisted companies.</p>

SERVICES OFFERED

A. Assurance Services:

Statutory Audit under the Companies Act 2013,
Limited Review under the Listing Agreement,
Tax Audits,
GST Audits,
Audit for Special Financial information,
Certification of Corporate Governance under Clause 49 of the Listing agreement.

B. Accounting Services:

GAAP Conversion,
Due Diligence for Mergers & Acquisition,
Financial Reporting Support Services.

C. Direct & Indirect Tax Services:

Tax filing - Income tax, GST,
Representation before tax authorities including Appellate authorities,
Transfer Pricing Audits,
Tax Planning and Management,
Double Taxation Avoidance.

D. Other Services:

Internal Audits,
Business Valuations,
Other Accounting Services.

DETAILS OF MAJOR CLIENTS HANDLED

COMPANIES:

SHREE RENUKA SUGARS LTD,
SUN PHARMACEUTICALS LTD,
RAVINDRA ENERGY LTD,
KIRLOSKAR ELECTRIC COMPANY LTD.,
THE HUTTI GOLD MINES LTD.,
KEMS FORGINGS LTD,
ADITYA MEDISALES LTD.,
AQUATECH SYSTEMS (ASIA) PVT. LTD - SUBSIDIARY OF AQUATECH INTERNATIONAL CORPORATION A **US** BASED COMPANY,
FORTINET TECHNOLOGIES INDIA PRIVATE LTD - SUBSIDIARY OF **US** COMPANY.
SLEEPYHEAD HOME DÉCOR INDIA PRIVATE LTD. - DUROFLEX GROUP COMPANY
RAJIV GANDHI RURAL HOUSING CORPORATION LTD,
UNIMED TECHNOLOGIES LTD,
KONGOVI ELECTRONICS PVT LTD.,
HOTEL IVORY TOWERS GROUP OF COMPANIES, INCLUDING EBONY AND 13TH FLOOR.,
INNOVISION FOODS PVT LTD (ASSOCIATE OF ITC GROUP),
H&M HENNES AND MAURITZ INDIA PRIVATE LIMITED
RANKA GROUP OF COMPANIES - BANGALORE,
TRAVEL TOURS PVT LTD.

TRUSTS & INSTITUTIONS:

BIBLE SOCIETY OF INDIA,
GRAMA VIKAS AND GRAMEENA MAHILA OKKUTA,
INDIA LITERACY PROJECT,
CLARENCE HIGH SCHOOL
KARNATAKA BADMINTON ASSOCIATION,