



KIRLOSKAR ELECTRIC COMPANY LTD.,

Sect./15/2021-22

June 29, 2021

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: Intimation of Financial Results;

Ref: Compliance with regulation 33 of SEBI (LODR) Regulations, 2015;

Time of commencement of meeting : 11.00 A.M

Time of conclusion of meeting : 12.50 P.M

Pursuant to the regulation under subject, please find enclosed, Ind AS compliant audited standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2021 as approved by the Board of directors at its meeting held today 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**

K S
Swapna
Latha

Digitally signed
by K S Swapna
Latha
Date: 2021.06.29
13:00:49 +05'30'

K S Swapna Latha

Sr. General Manager (Legal) & Company Secretary

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 AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021



(₹ in Lakhs)

| SI No | Particulars | Standalone | | | | | Consolidated | | | | |
|-------|--|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|--------------------|-----------------|-----------------|-----------------|
| | | Quarter ended | | Year ended | | | Quarter ended | | Year ended | | |
| | | March 31, 2021' | December 31, 2020' | March 31, 2020' | March 31, 2021' | March 31, 2020' | March 31, 2021' | December 31, 2020' | March 31, 2020' | March 31, 2021' | March 31, 2020' |
| | Audited | Unaudited | Audited | Audited | Audited | Audited | Unaudited | Audited | Audited | Audited | |
| | INCOME FROM OPERATIONS: | | | | | | | | | | |
| I | Revenue from Operations | 8,876 | 7,713 | 8,161 | 27,758 | 31,441 | 8,876 | 7,713 | 8,161 | 27,758 | 31,441 |
| II | Other income | 91 | 149 | 85 | 361 | 428 | 483 | 152 | 88 | 770 | 8,508 |
| III | Total Revenue (I+II) | 8,967 | 7,862 | 8,246 | 28,119 | 31,869 | 9,359 | 7,865 | 8,249 | 28,528 | 39,949 |
| IV | Expenses: | | | | | | | | | | |
| a | Cost of materials consumed | 6,519 | 5,277 | 5,851 | 19,219 | 21,435 | 6,519 | 5,277 | 5,851 | 19,219 | 21,435 |
| b | Change in inventories of finished goods, work in progress and stock in trade | 208 | 346 | (417) | 904 | (229) | 208 | 346 | (417) | 904 | (229) |
| c | Employee benefit expense | 1,374 | 1,412 | 1,460 | 5,685 | 6,295 | 1,374 | 1,412 | 1,460 | 5,685 | 6,295 |
| d | Finance costs | 641 | 725 | 770 | 2,809 | 3,432 | 683 | 754 | 828 | 3,005 | 4,267 |
| e | Depreciation and amortisation expenses | 130 | 130 | 140 | 523 | 556 | 365 | 156 | 165 | 836 | 660 |
| f | Other expenses | 6,984 | 1,048 | 1,096 | 9,766 | 9,450 | 916 | 1,047 | 1,038 | 3,690 | 3,972 |
| | Total expenses | 15,856 | 8,938 | 8,900 | 38,906 | 40,939 | 10,065 | 8,992 | 8,925 | 33,339 | 36,400 |
| V | Profit / (loss) before exceptional and tax (III-IV) | (6,889) | (1,076) | (654) | (10,787) | (9,070) | (706) | (1,127) | (676) | (4,811) | 3,549 |
| VI | Exceptional items (net of tax expense) | - | - | - | - | 471 | - | - | - | - | 982 |
| VII | Profit / (loss) before tax (V-VI) | (6,889) | (1,076) | (654) | (10,787) | (8,599) | (706) | (1,127) | (676) | (4,811) | 4,531 |
| VIII | Tax expense: | | | | | | | | | | |
| a | Current Tax | - | - | - | - | - | - | - | - | - | - |
| b | Deferred tax | - | - | - | - | - | - | - | - | - | - |
| IX | Profit / (loss) after tax (VII-VIII) | (6,889) | (1,076) | (654) | (10,787) | (8,599) | (706) | (1,127) | (676) | (4,811) | 4,531 |
| X | Other comprehensive income | | | | | | | | | | |
| | (i) Items that will not be reclassified to profit or loss | | | | | | | | | | |
| a | Remeasurements of the defined benefit plans | 90 | - | (165) | 90 | (165) | 90 | - | (165) | 90 | (165) |
| b | Taxes on above | (25) | - | 46 | (25) | 46 | (25) | - | 46 | (25) | 46 |
| | (ii) Items that may be reclassified to profit or loss | | | | | | | | | | |
| a | Mark to Market of Investments | 11 | 11 | 2 | 24 | 10 | 11 | 11 | 2 | 24 | 10 |
| b | Revaluation gain on land | 16,522 | - | - | 16,522 | - | 16,522 | - | - | 16,522 | - |
| b | Taxes on above | (3,707) | (2) | (1) | (3,710) | (3) | (3,707) | (2) | (1) | (3,710) | (3) |
| | Total other comprehensive income | 12,891 | 9 | (118) | 12,901 | (112) | 12,891 | 9 | (118) | 12,901 | (112) |
| XI | Total comprehensive income for the period (IX+X) | 6,002 | (1,067) | (772) | 2,114 | (8,711) | 12,185 | (1,118) | (794) | 8,090 | 4,419 |
| | 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 |
| | Other Equity | | | | 348 | (1,767) | | | | | |
| | Earnings per share(EPS) (face value of Rs. 10/- each) | | | | | | | | | | |
| a | Basic EPS (not annualised) | (10.37) | (1.62) | (3.09) | (16.24) | (12.94) | (1.06) | (1.70) | (1.02) | (7.24) | 6.82 |
| b | Diluted EPS (not annualised) | (10.37) | (1.62) | (3.09) | (16.24) | (12.94) | (1.06) | (1.70) | (1.02) | (7.24) | 6.82 |
| | Paid-up debt capital/outstanding debts | | | | - | - | | | | | |
| | Debenture redemption reserve | | | | - | - | | | | | |
| | Net worth | | | | (31,494) | (20,790) | | | | | |
| | Fixed asset coverage ratio | | | | 2.82 | 1.81 | | | | | |
| | Debt equity ratio | | | | 2.43 | 3.60 | | | | | |
| | Debt service coverage ratio (DSCR) | | | | (2.65) | (1.30) | | | | | |
| | Interest service coverage ratio (ISCR) | | | | (2.65) | (1.48) | | | | | |

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KIRLOSKAR ELECTRIC COMPANY LIMITED
BANGALORE

REVENUES, RESULTS, ASSETS, LIABILITIES AND CAPITAL EMPLOYED FOR THE SEGMENTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

(₹ in Lakhs)

| Sl No | Particulars | Standalone | | | | | Consolidated | | | | |
|-------|--|-----------------|--------------------|-----------------|-----------------|-----------------|-----------------|--------------------|-----------------|-----------------|-----------------|
| | | Quarter ended | | Year ended | | Year ended | | Quarter ended | | Year ended | |
| | | March 31, 2021' | December 31, 2020' | March 31, 2020' | March 31, 2021' | March 31, 2020' | March 31, 2021' | December 31, 2020' | March 31, 2020' | March 31, 2021' | March 31, 2020' |
| | Audited | Unaudited | Audited | Audited | Audited | Audited | Unaudited | Audited | Audited | Audited | |
| 1 | Segment Revenues | | | | | | | | | | |
| | Power generation/ distribution | 3,630 | 3,274 | 2,722 | 11,500 | 11,075 | 3,630 | 3,274 | 2,722 | 11,500 | 11,075 |
| | Rotating machines | 5,067 | 4,143 | 5,176 | 15,390 | 19,743 | 5,067 | 4,143 | 5,176 | 15,390 | 19,743 |
| | Others | 220 | 381 | 357 | 1,093 | 965 | 220 | 381 | 357 | 1,093 | 965 |
| | Total | 8,917 | 7,798 | 8,255 | 27,983 | 31,783 | 8,917 | 7,798 | 8,255 | 27,983 | 31,783 |
| | Less: Inter segment revenues | 41 | 85 | 94 | 225 | 342 | 41 | 85 | 94 | 225 | 342 |
| | Revenue from operations | 8,876 | 7,713 | 8,161 | 27,758 | 31,441 | 8,876 | 7,713 | 8,161 | 27,758 | 31,441 |
| 2 | Segment Results | | | | | | | | | | |
| | Profit / (loss) before interest and tax expense | | | | | | | | | | |
| | Power generation/ distribution | 67 | 188 | 52 | 66 | 868 | 67 | 188 | 52 | 66 | 868 |
| | Rotating machines | 238 | (63) | 563 | (59) | 1,274 | 238 | (63) | 563 | (59) | 1,274 |
| | Others | 75 | 171 | 104 | 407 | 301 | 75 | 171 | 104 | 407 | 301 |
| | Total | 380 | 296 | 719 | 414 | 2,443 | 380 | 296 | 719 | 414 | 2,443 |
| | Less: Interest | 641 | 725 | 770 | 2,809 | 3,432 | 683 | 754 | 828 | 3,005 | 4,267 |
| | Less: Other unallocable expenditure (net off unallocable Income) | 6,628 | 647 | 603 | 8,392 | 7,610 | 403 | 669 | 567 | 2,220 | (6,355) |
| | Total profit / (loss) before tax expense | (6,889) | (1,076) | (654) | (10,787) | (8,599) | (706) | (1,127) | (676) | (4,811) | 4,531 |
| 3 | Segment Assets | | | | | | | | | | |
| | Power generation/ distribution | 7,594 | 8,146 | 9,199 | 7,594 | 9,199 | 7,594 | 8,146 | 9,199 | 7,594 | 9,199 |
| | Rotating machines | 39,708 | 23,905 | 24,962 | 39,708 | 24,962 | 39,708 | 23,905 | 24,962 | 39,708 | 24,962 |
| | Others | 8,655 | 7,584 | 7,550 | 8,655 | 7,550 | 8,655 | 7,584 | 7,550 | 8,655 | 7,550 |
| | Total | 55,957 | 39,635 | 41,711 | 55,957 | 41,711 | 55,957 | 39,635 | 41,711 | 55,957 | 41,711 |
| | Add Unallocable Assets | 7,908 | 13,880 | 13,870 | 7,908 | 13,870 | 6,702 | 6,588 | 6,911 | 6,702 | 6,911 |
| | Total Segment Assets | 63,865 | 53,515 | 55,581 | 63,865 | 55,581 | 62,659 | 46,223 | 48,622 | 62,659 | 48,622 |
| 4 | Segment Liabilities | | | | | | | | | | |
| | Power generation/ distribution | 9,054 | 9,467 | 8,289 | 9,054 | 8,289 | 9,054 | 9,467 | 8,289 | 9,054 | 8,289 |
| | Rotating machines | 15,018 | 14,219 | 12,875 | 15,018 | 12,875 | 15,018 | 14,219 | 12,875 | 15,018 | 12,875 |
| | Others | 667 | 648 | 780 | 667 | 780 | 667 | 648 | 780 | 667 | 780 |
| | Total | 24,739 | 24,334 | 21,944 | 24,739 | 21,944 | 24,739 | 24,334 | 21,944 | 24,739 | 21,944 |
| | Add Unallocable Liabilities | 32,137 | 28,195 | 28,763 | 32,137 | 28,763 | 34,566 | 30,722 | 31,415 | 34,566 | 31,415 |
| | Total Segment Liabilities | 56,876 | 52,529 | 50,707 | 56,876 | 50,707 | 59,305 | 55,056 | 53,359 | 59,305 | 53,359 |
| 5 | Capital Employed (Segment Assets-Segment Liabilities) | | | | | | | | | | |
| | Power generation/ distribution | (1,460) | (1,321) | 910 | (1,460) | 910 | (1,460) | (1,321) | 910 | (1,460) | 910 |
| | Rotating machines | 24,690 | 9,686 | 12,087 | 24,690 | 12,087 | 24,690 | 9,686 | 12,087 | 24,690 | 12,087 |
| | Others | 7,988 | 6,936 | 6,770 | 7,988 | 6,770 | 7,988 | 6,936 | 6,770 | 7,988 | 6,770 |
| | Total capital employed in segments | 31,218 | 15,301 | 19,767 | 31,218 | 19,767 | 31,218 | 15,301 | 19,767 | 31,218 | 19,767 |
| | Add: Unallocated | (24,229) | (14,315) | (14,893) | (24,229) | (14,893) | (27,864) | (24,134) | (24,504) | (27,864) | (24,504) |
| | Total capital employed | 6,989 | 986 | 4,874 | 6,989 | 4,874 | 3,354 | (8,833) | (4,737) | 3,354 | (4,737) |

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STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2021

(₹ in Lakhs)

| Particulars | Standalone | | Consolidated | |
|--|---|---|---|---|
| | As at March 31, 2021 (Audited) | As at March 31, 2020 (Audited) | As at March 31, 2021 (Audited) | As at March 31, 2020 (Audited) |
| ASSETS | | | | |
| Non-current assets | | | | |
| (a) Property, plant and equipment | 47,910 | 31,694 | 47,910 | 31,694 |
| (b) Capital work-in-progress | 35 | 20 | 35 | 20 |
| (c) Investment Property | 147 | 147 | 162 | 162 |
| (d) Other Intangible assets | 24 | 4 | 24 | 317 |
| (e) Financial assets | | | - | - |
| (i) Investments | 1,027 | 7,067 | 158 | 134 |
| (ii) Trade Receivables | 435 | 535 | 435 | 535 |
| (iii) Other financial assets | 162 | 172 | 162 | 173 |
| (f) Other non-current assets | 2,272 | 2,372 | 2,339 | 2,449 |
| Total Non-current assets | 52,012 | 42,011 | 51,225 | 35,484 |
| Current assets | | | | |
| (a) Inventories | 4,029 | 4,900 | 4,029 | 4,900 |
| (b) Financial assets | | | | |
| (i) Trade receivables | 2,359 | 3,025 | 4,785 | 5,466 |
| (ii) Cash and cash equivalents | 689 | 589 | 760 | 611 |
| (iii) Other Bank balances | 1,063 | 515 | 1,070 | 1,312 |
| (c) Other current assets | 3,713 | 4,541 | 790 | 849 |
| Total Current assets | 11,853 | 13,570 | 11,434 | 13,138 |
| TOTAL ASSETS | 63,865 | 55,581 | 62,659 | 48,622 |
| EQUITY AND LIABILITIES | | | | |
| Shareholders' funds | | | | |
| (a) Share capital | 6,641 | 6,641 | 6,641 | 6,641 |
| (b) Other equity | 348 | (1,767) | (3,291) | (11,382) |
| Equity attributable to shareholders of Kirloskar Electric Company Limited | 6,989 | 4,874 | 3,350 | (4,741) |
| Non-controlling interest | - | - | 4 | 4 |
| TOTAL EQUITY | 6,989 | 4,874 | 3,354 | (4,737) |
| LIABILITIES | | | | |
| Non-current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 2,335 | 4,484 | 2,335 | 4,484 |
| (ii) Other financial liabilities | 620 | 1,377 | 620 | 1,377 |
| (b) Provisions | 2,538 | 2,374 | 2,538 | 2,374 |
| (c) Deferred tax liabilities (net) | 4,744 | 1,009 | 4,744 | 1,009 |
| Total Non current liabilities | 10,237 | 9,244 | 10,237 | 9,244 |
| Current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 12,374 | 11,813 | 13,247 | 12,696 |
| (ii) Trade payables | | | - | - |
| (i) micro and small enterprises, and | 190 | 800 | 190 | 800 |
| (ii) other than micro and small enterprises | 13,715 | 11,739 | 13,718 | 11,740 |
| (iii) Other financial liabilities | 5,660 | 4,206 | 7,084 | 5,878 |
| (b) Provisions | 3,017 | 2,808 | 3,017 | 2,808 |
| (c) Other current liabilities | 11,667 | 10,096 | 11,811 | 10,192 |
| (d) Current tax liabilities (net) | 16 | 1 | 1 | 1 |
| Total Current liabilities | 46,639 | 41,463 | 49,068 | 44,115 |
| TOTAL EQUITY AND LIABILITIES | 63,865 | 55,581 | 62,659 | 48,622 |




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KIRLOSKAR ELECTRIC COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Lakhs)

| Particulars | Standalone | | Consolidated | |
|---|----------------|----------------|----------------|-----------------|
| | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| | (Audited) | (Audited) | (Audited) | (Audited) |
| Cash flows from operating activities | | | | |
| Profit / (Loss) before taxation | (10,787) | (8,598) | (4,811) | 4,532 |
| Adjustments for: | | | | |
| Depreciation and amortisation | 523 | 556 | 836 | 660 |
| Provisions (net) | 6,570 | 5,616 | 506 | 136 |
| (Profit)/loss on sale of fixed assets | (4) | 7 | (397) | (7,668) |
| Interest income | (107) | (61) | (124) | (64) |
| Provision for asset held for sale withdrawn | - | - | (8) | - |
| Finance costs | 2,809 | 3,432 | 3,005 | 4,267 |
| | 9,791 | 9,550 | 3,818 | (2,669) |
| | (996) | 952 | (993) | 1,863 |
| (Increase)/ decrease in trade and other receivables | 1,563 | 1,684 | 806 | (547) |
| (Increase)/ decrease in inventories | 871 | (278) | 871 | (278) |
| Increase/ (decrease) in trade payables and other current | 2,180 | 2,277 | 2,231 | 2,302 |
| | 4,614 | 3,683 | 3,908 | 1,477 |
| | 3,618 | 4,635 | 2,915 | 3,340 |
| Income taxes paid | (81) | (177) | (76) | (107) |
| Net cash from operating activities | 3,699 | 4,812 | 2,991 | 3,447 |
| Cash flows from investing activities | | | | |
| Purchase of property, plant and equipment | (247) | (124) | (247) | (124) |
| Proceeds from sale of property, plant and equipment | 4 | 8 | 405 | 7,684 |
| Advance received for sale of asset | - | - | - | 13 |
| Purchase/ revaluation of investments | - | 2 | - | - |
| Interest received | 125 | 84 | 144 | 84 |
| Increase in margin money and short term deposits | (537) | 23 | 253 | (774) |
| Net cash from investing activities | (655) | (7) | 555 | 6,883 |
| Cash flows from financing activities | | | | |
| Repayment of long term borrowings | (1,098) | (4,333) | (990) | (8,911) |
| ICD's Accepted net | 366 | 3,700 | - | 4,559 |
| ICD's Repaid net | - | (372) | (94) | (1,672) |
| Repayment of fixed deposits from public | (2) | (12) | (2) | (12) |
| Increase/ (decrease) of short term borrowings (net) | 194 | (1,837) | 194 | (1,837) |
| Finance costs | (2,404) | (2,287) | (2,505) | (2,808) |
| Net cash from financing activities | (2,944) | (5,141) | (3,397) | (10,681) |
| Net increase/(decrease) in cash and cash equivalents | 100 | (336) | 149 | (351) |
| Cash and cash equivalents at beginning of the year | 589 | 925 | 611 | 962 |
| Cash and cash equivalents at end of the year | 689 | 589 | 760 | 611 |

Mugunth R. Prabhakar


AP



Notes:

- 1 The above audited standalone and consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on June 29, 2021.
- 2 The standalone and consolidated financial results of the Company for the quarter and year ended March 31, 2021 have been audited 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 The format for Standalone and Consolidated results as prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 05, 2016 read with SEBI Circular No.CIR/CFD/CMDI/44/2019 dated March 29, 2019, Ind AS and Schedule III of the Companies Act, 2013 as amended applicable to the Companies that are required to comply with Ind AS.
- 5 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 March 31, 2021 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 ₹11,777.86 lakhs (₹12,059.99 lakhs as at December 31, 2020) after considering Ind AS adjustments. These subsidiaries are taking active steps to repay the dues of the Company from collection of debts (receivables) assigned and from disposal of immovable properties / inventories transferred apart from debts (bank dues) transferred / to be transferred as referred above. During the year ended March 31, 2020, the Company has sold major portion of the Saleable properties held by its Subsidiaries at Mysore and these subsidiaries have repaid all their dues to banks except in case of SKG terra, wherein specific assets are held for disposal. Further as on the date of results, the Company was in advance stage of discussion for monetization of these properties of its Subsidiaries. The Board of Directors are confident of disposing these assets and repaying the pending dues. 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 March 31, 2021.
- 6 During the quarter ended June 30, 2018, Company Bankers - Axis Bank had assigned its total debts due (excluding the Bank Guarantee Limits) in the Company and one of its subsidiary, Kelbuzz Trading Private Limited along with the underlying financial documents together with rights, benefits and obligations' there under to Asset Reconstruction Company (India) Ltd (ARCIL). During the quarter ended September 30, 2019, the Company has received the final Term Sheet based on which the necessary entries have been passed in the books of account and net benefit on account of such assignment has been shown under Exceptional Items of ₹ 471 Lakhs in Standalone and ₹ 982 in Consolidated Financial results.
- 7(a) In case of Consolidated audited 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 Rs.2,459 lakhs.



- 7(b) The net worth (after excluding revaluation reserve) of the group in terms of the consolidated financial statements as at March 31, 2021 consisting of the Company, its subsidiaries and its associate is eroded. There were certain overdues in respect of banks and creditors. The Company and its components have initiated several measures like active steps being taken for disposal of non-core assets, arrangement under JLF mechanism for restructuring of dues to banks, sanction of further non-fund based limits by banks, infusion of capital by the promoters, rationalization of operations, introduction of value added products, push for sales, optimization in product mix and enhanced contribution, capital raising plans etc. The Company is in advanced stage of negotiation for funding arrangements with various parties which will improve the performance in the forthcoming periods. The Company is confident that this funding arrangement will have a positive impact on the net worth of the Company. 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.
- 8 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.
- 9 The company has assessed the impact that may result from this pandemic on its liquidity position, carrying amounts of receivables, inventories, tangible and intangible assets, investments and other assets/ liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of the pandemic, the company considered internal and external information available till the date of approval of these financial results and has assessed this situation.
In that context and based on the current estimates, the company believes that COVID-19 is not likely to have any further impact on its financial statements, liquidity or ability to service its debt or other obligations. However, the overall economic environment, being uncertain due to COVID-19, may affect the underlying assumptions and estimates in future, which may differ from those considered as at date of approval of these financial statements. The company would closely monitor such developments in future economic conditions and consider their impact on the financial statements of the relevant period.
- 10 Transition to Ind AS -116 - Leases - Effective April 1, 2019, the Company has adopted Ind AS 116, 'Leases'. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise Right-of-Use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value. The Company has used the 'modified retrospective approach' for transition from the previous standard- Ind AS 17, and consequently, comparatives for previous periods have not been retrospectively adjusted. On transition, the Company records the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the right-of-use at the same value as the lease liability. The effect of Ind AS 116 on profit/(loss) for the current quarter ended March 31, 2021 is not material.
- 11 Other Income for the year ended March 31, 2020 in Consolidated Financial results includes the profit on sale of properties of the Company situated at Kuvempu Nagar, Jayanagar and Belawadi Industrial Area at Mysore. Consequently, major part of the sale proceeds have been utilised towards the repayment of the financial dues to the banks and financial institutions.
- 12 In the month of February 2020, Company had applied with Ministry of Company Affairs ("MCA") for closure of two of its wholly owned subsidiaries, Kesvik Developers Private Limited and Swaki Habitat Private Limited, as there were no operations done in these subsidiaries. Accordingly, the investments in the above mentioned subsidiaries were written off in the books of account during the quarter ended September 30, 2020. Further, the Company has received the order of Strike off from MCA on November 16, 2020.
- 13 The figures for the quarter ended March 31, 2021 are the balancing figures between the audited figures in respect of the full year ended March 31, 2021 and nine months ended December 31, 2020.



14 Details of Secured Redeemable Non-Convertible Debentures - NIL

15 The following have been computed as:

- a) Paid up debt capital/outstanding debt= Non Current Borrowing, current portion of long term borrowings and current borrowings.
- b) Debt equity ratio= Aggregate of outstanding debts/Equity attributable to shareholders.
- c) DSCR= Profit or (Loss) before Depreciation and amortisation expense, finance costs, exceptional items and tax/(Long Term Loan principal repaid+Finance costs-Finance income).
- d) ISCR= Profit or (Loss) before Depreciation and amortisation expense, finance costs, exceptional items and tax and finance income/Finance costs.
- e) Fixed asset coverage ratio= Revalued Value of Property, Plant & Equipment and Capital Work in Progress / Long Term Loan.

16 Other Income for the year ended March 31, 2021 in Consolidated Financial results includes the profit on sale of properties of the Company situated at Bhandarkar Road, Pune. Consequently, major part of the sale proceeds have been utilised towards the repayment of the financial dues to the financial institutions.

17 Other expenses in standalone financial includes ₹ 6,064.00 Lakhs provision made during current quarter towards investment in one of its wholly owned subsidiary Luxquisite Parkland Private Limited.

18 As per the terms of the sanction letter received from Asset Restructuring Company Limited (ARCIL), the Company has to repay one instalment of ₹2,065 lacs, through sale of asset on or before June 30, 2021. The Company has requested ARCIL for extension of timeline for repayment of balance due till December 31, 2021. As the Company is in advanced stage of negotiation for monetisation of property, the Company is confident of receiving the approval of extension of timelines from ARCIL.

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

Place: Bengaluru
Date: June 29, 2021


(Vijay R Kirloskar)
Executive Chairman







K N PRABHASHANKAR & CO.

CHARTERED ACCOUNTANTS

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Bengaluru - 560 027. India

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

e-mail: knp@akpco.com

Auditor's Report on Standalone Quarterly Financial Results and Year to Date 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 audited the accompanying Statement of Standalone financial results of Kirloskar Electric Company Limited ("the Company") for the quarter ended March 31, 2021 and for the year ended March 31, 2021, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("Regulation") as amended. 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. Our responsibility is to express an opinion on the statement based on our audit of such Standalone financial statements.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.

3. Basis of Qualified Opinion:

Attention of the Directors is invited to note 5 to the audited financial results regarding 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 Rs.11,777.86 lakhs (Rs.12,531.50 lakhs as at March 31, 2020) against which provision is recognized for an amount of Rs.8,400.77 lakhs as at March 31, 2021. Pending disposals/realization of assets by the subsidiaries, shortfall in realization of the amount outstanding (net of provision), if any, could not be ascertained.

Based on our audit conducted as above except for the effects in respect of the matter stated in the paragraph on "Basis of Qualified Opinion" and to the best of our information and according to the explanations given to us, these quarterly and year to date financial results:

- a) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended in this regard; and
- b) Give a true and fair view of net loss including other comprehensive income and other financial information for the quarter ended March 31, 2021 and for the year ended March 31, 2021.



4. Key Audit Matters:

- a) Note 7(b) of the audited financial results - The directors have detailed the reasons for preparing these audited 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 and banks. The appropriateness of the said basis is subject to the Company adhering to the restructuring plan and infusion of requisite funds. We have been appraised of the restructuring plan including monetization of few non-core assets, projection of increase in turnover and infusion of funds in the near future. We have relied on the representations made by the Company and 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.

5. Emphasis of Matter:

- a) Note 8(a) of the audited financial results, which states that the Company has filed Special Leave Petition in respect of demands of resale tax penalty of Rs.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.

In respect of the matter detailed in paragraph (a) above, 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 such representations.

6. Other Matters:

We did not audit the financial statements/information of one branch, the Kuala Lumpur office of the Company, included in the financial results of the Company for the quarter ended and year ended March 31, 2021 whose financial statements/information reflect total assets of Rs.214.95 lakhs as at March 31, 2021 and total revenues of Rs.0.52 lakhs for the year ended on that date. The financial statements/information of the said branch has been prepared and submitted to us by the Management. The financial statements have not been audited by the Branch Auditors due to COVID 19 situation. So, to the extent the amounts have been derived from such financial statements is based solely on the financial statements/information provided to us by the Management. Our report is not modified in respect of this matter.

7. The figures for the quarter ended March 31, 2021 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2021 and the published year-to-date figures upto December 31, 2020, being the date of the end of the third quarter of the current financial year, subjected to a limited review by us.

For K N Prabhashankar & Co.,
Chartered Accountants
Firm Reg. No. 004982S




A. Umesh Patwardhan
Partner

M. No. 222945
UDIN: 21222945AAAABT5698

Place: Bengaluru
Date: June 29, 2021

K N PRABHASHANKAR & CO.

CHARTERED ACCOUNTANTS

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

Bengaluru - 560 027. India

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

e-mail: knp@akpco.com

Auditor's Report on Consolidated Financial Results for the Year to Date Results of the Group 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 audited the accompanying Statement of Consolidated financial results of Kirloskar Electric Company Limited ("the Company") and its subsidiaries and associates (collectively referred as "Group") for the year ended March 31, 2021, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("Regulation") as amended. 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 Accounting Standards 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. Our responsibility is to express an opinion on the statement based on our audit of such Consolidated financial statements.
2. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the Parent's internal financial control with reference to the Statement. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by the branch auditors and other auditors in terms of their reports referred to in paragraph 4 below, is sufficient and appropriate to provide a basis for our qualified audit opinion.

3. Basis of Qualified Opinion:

Attention of the Directors is invited to note 7(a) to the audited financial results regarding trade receivables/book debts exceeding two years and considered good by the management estimated at Rs.2,459 lakhs. The relevant accounts are 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.



4. Key Audit Matters:

- a) Note 7(b) of the audited financial results - The directors have detailed the reasons for preparing these audited 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 and banks. The appropriateness of the said basis is subject to the Company adhering to the restructuring plan and infusion of requisite funds. We have been appraised of the restructuring plan including monetization of few non-core assets, projection of increase in turnover and infusion of funds in the near future. We have relied on the representations made by the Company and 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.

5. Emphasis of Matter:

- a) Note 8(a) of the audited financial results, which states that the Company has filed Special Leave Petition in respect of demand of resale tax penalty of Rs.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.

In respect of the matter detailed in paragraph (a) above, 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 such representations.

6. Other Matters:

- a. We did not audit the financial statements of 5 subsidiaries included in the Consolidated year to date financial results, whose Consolidated financial results reflect total assets of Rs.718.56 lakhs as at March 31, 2021, total revenues of Rs.16.67 lakhs and net cash flows of (Rs.799.35) lakhs for the year ended on that date, as considered in the Consolidated financial results. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us and our opinion on the year to date Consolidated results to the extent they have been derived from such financial statements is based solely on the report of such other auditors. Our report is not modified in respect of this matter.
 - b. Unaudited financial statements of Kirloskar (Malaysia) Sdn, Bhd., an associate in which share of loss of the Group was Rs. Nil (restricted to the value of the investments) has been considered for preparation of these financial statements. Unaudited financial statements as received from the said associate has been considered for the purpose of preparation of these Consolidated financial results.
7. i. Based on our audit conducted as above except for the effects in respect of the matter stated in the paragraph on "Basis of Qualified Opinion", Other Matters, and to the best of our information and according to the explanations given to us, these year to date Consolidated financial results include the year to date 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



- ii. are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated total comprehensive income (comprising of net profit and other comprehensive loss) and other financial information of the Group for the year ended March 31, 2021.

For K N Prabhaskar & Co.,
Chartered Accountants
Firm Reg. No. 004982S



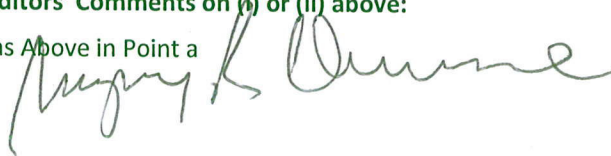
Place: Bengaluru
Date: June 29, 2021


A. Umesh Patwardhan
Partner
M. No. 222945
UDIN: 21222945AAAABU8225

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

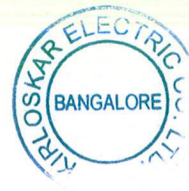
| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] | | | | |
|---|---|---|--|--|
| I. | Sl. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) (Rs. in Lakhs) | Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in Lakhs) |
| | 1. | Turnover / Total income | 28,119 | 28,119 |
| | 2. | Total Expenditure | 38,906 | 38,906 |
| | 3. | Net Profit/(Loss) | (10,787) | (10,787) |
| | 4. | Earnings Per Share | (16.24) | (16.24) |
| | 5. | Total Assets | 63,865 | 63,865 |
| | 6. | Total Liabilities | 56,876 | 56,876 |
| | 7. | Net Worth | 6,989 | 6,989 |
| | 8. | Any other financial item(s) (as felt appropriate by the management) | Nil | Nil |
| II. | Audit Qualification (each audit qualification separately): <ul style="list-style-type: none">a. Details of Audit Qualification:<p>Attention of the Directors is invited to note 5 to the audited financial results regarding amounts due to the Company from certain subsidiaries towards part consideration receivable on sale and 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 Rs.11,777.86 lakhs (Rs. 12,531.50 lakhs as at March 31, 2020) against which provision is recognized for an amount of Rs.8,400.77 lakhs. Pending disposals/realization of assets by the subsidiaries, shortfall in realization of the amount outstanding (net of provision), if any, could not be ascertained.</p>b. Type of Audit Qualification : Qualified Opinionc. Frequency of qualification: Repetitived. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicablee. For Audit Qualification(s) where the impact is not quantified by the auditor:<ul style="list-style-type: none">(i) Management's estimation on the impact of audit qualification:<p>These subsidiaries are taking active steps to repay the dues of the Company, from collection of book debts assigned and from disposal of immovable properties transferred apart from debts transferred as referred above. The board of directors are confident of realisation of the entire amounts due from the said subsidiaries as we are sure of realizing much more amount from the sale of immovable properties.</p>(ii) If management is unable to estimate the impact, reasons for the same:<p>Same as Above comment.</p>(iii) Auditors' Comments on (i) or (ii) above:<p>Same as Above in Point a</p> | | | |



III.

Signatories:

• 
Executive Chairman: Vijay R Kirloskar



• 
CFO: Sanjeev Kumar S

• 
Audit Committee Chairman: Kamlesh Gandhi

• 
Statutory Auditor: A. Umesh Patwardhan, Mem. No. 222945

K N Prabhashankar & Co.,
Chartered Accountants
Firm Regn. No. 00049825



Place: Bengaluru

Date: June 29, 2021

ANNEXURE I

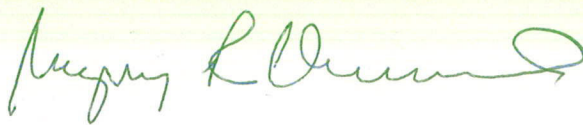
Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] | | | | |
|---|--|---|--|--|
| I. | Sl. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) (Rs. in Lakhs) | Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in Lakhs) |
| | 1. | Turnover / Total income | 28,528 | 28,528 |
| | 2. | Total Expenditure | 33,339 | 33,339 |
| | 3. | Net Profit/(Loss) | (4,811) | (4,811) |
| | 4. | Earnings Per Share | (7.24) | (7.24) |
| | 5. | Total Assets | 62,659 | 62,659 |
| | 6. | Total Liabilities | 59,305 | 59,305 |
| | 7. | Net Worth | 3,354 | 3,354 |
| | 8. | Any other financial item(s) (as felt appropriate by the management) | Nil | Nil |
| II. | <u>Audit Qualification (each audit qualification separately):</u> <p>a. Details of Audit Qualification: Attention of the Directors is invited to note 7(a) to the audited financial results regarding trade receivables/book debts exceeding two years and considered good by the management estimated at Rs.2,459 lakhs. The relevant accounts are subject to adjustments, if required after management completes review, reconciliation and identification of further doubtful debts. We are unable to express an independent opinion on the extent of shortfall in the recovery of the same.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Repetitive</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Applicable</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: The Company is in the process of completing the review and reconciliation of receivables/book debts and in our opinion any further provision required will not have material impact on the financial results of the Company and we are confident of realizing the book debts.</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: Same as Above comment.</p> <p>(iii) Auditors' Comments on (i) or (ii) above: Same as Above in Point a</p> | | | |



III.

Signatories:



- **Executive Chairman: Vijay R Kirloskar**



- **CFO: Sanjeev Kumar S**



- **Audit Committee Chairman: Kamlesh Gandhi**



- **Statutory Auditor: A. Umesh Patwardhan, Mem. No.222945**

**K N Prabhaskar & Co.,
Chartered Accountants
Firm Regn. No.0004982S**



Place: Bengaluru

Date: June 29, 2021