

**KIRLOSKAR ELECTRIC COMPANY LIMITED, BANGALORE**

Regd Office: Industrial Suburb, Rajajinaga, Bangalore - 560 010

**FINANCIAL RESULTS FOR THE QUARTER ENDED June 30, 2008 (Stand Alone)**

Amount Rs.in Lacs

|    | Particulars   | Quarter ended |               | Year ended      |
|----|---|---------------|---------------|-----------------|
|    |   | June 30, 2008 | June 30, 2007 | 31st March 2008 |
|    |   | Unaudited     | Reviewed      | (Audited)       |
| 1  | Gross Sales   | 20407         | 14913         | 76499           |
|    | Less : Excise Duty  | 774           | 685           | 3721            |
|    | Net Sales   | 19633         | 14228         | 72778           |
| 2  | Other Income  | 30            | 34            | 596             |
| 3  | Total Income ( 1+2 )  | 19,663        | 14,262        | 73,374          |
| 4  | Expenditure   |               |               |                 |
| a  | (Increase)/decrease in stock in trade   | (875)         | 211           | (2,072)         |
| b  | Consumption of raw materials  | 7,537         | 3,134         | 24279           |
| c  | Purchase of traded goods  | 11,176        | 9,411         | 43851           |
| d  | Staff cost  | 416           | 351           | 1553            |
| e  | Other expenditure   | 644           | 419           | 2172            |
| f  | Depreciation, Amortisation & Provisions   | 33            | 74            | 479             |
| g  | Total   | 18,931        | 13,600        | 70,262          |
| 5  | Interest  | 152           | 83            | 384             |
| 6  | Exceptional Items   | -             | -             | -               |
| 7  | Profit (+)/Loss (-) from Ordinary Activities before Tax (3-(4+5+6))   | 580           | 579           | 2,728           |
| 8  | Provision for Taxation -(Including Fringe Benefit Tax)  | 70            | 50            | 360             |
| 9  | Net Profit (+) / Loss (-) from Ordinary Activities after Tax (7 - 8)  | 510           | 529           | 2,368           |
| 10 | Extraordinary Items   | -             | -             | -               |
| 11 | Net Profit for the period (9 + 10)  | 510           | 529           | 2,368           |
| 12 | Paid up Equity Share Capital (face value of Rs. 10/-)   | 3327          | 3127          | 3327            |
| 13 | Reserves Excluding Revaluation Reserves & Debit Balance in P & L Account (As per Balance Sheet of Previous Accounting Year) | NA            | NA            | 7518            |
| 14 | Earnings Per Share (EPS)  |               |               |                 |
| a  | Basic EPS before Extra ordinary items (not annualised)  | 1.46          | 1.61          | 6.92            |
|    | Diluted EPS before Extra ordinary items (not annualised)  | 1.46          | 1.52          | 6.92            |
| b  | Basic EPS after Extra ordinary items (not annualised)   | 1.46          | 1.61          | 6.92            |
|    | Diluted EPS after Extra ordinary items (not annualised)   | 1.46          | 1.52          | 6.92            |
| 15 | Aggregate of Non-Promoters Shareholding   |               |               |                 |
|    | Number of Shares  | 17670349      | 17696770      | 17748584        |
|    | Percentage of holding   | 53.11%        | 56.60%        | 53.35%          |

**Revenues, Results & Capital Employed for the Segments for the quarter ended 30/06/2008 (Stand Alone)**
**Amount Rs.in Lacs**

|   | Particulars | Quarter ended |               | Year ended      |
|---|-------------|---------------|---------------|-----------------|
|   |             | June 30, 2008 | June 30, 2007 | 31st March 2008 |
|   |             | Unaudited     | Reviewed      | (Audited)       |
| <b>1 Segment Revenues</b>   |             |               |               |                 |
| POWER GENERATION/ DISTRIBUTION  | 8044        | 4459          | 25771         |                 |
| TRADING OF ROTATING MACHINES  | 11445       | 9591          | 44708         |                 |
| OTHERS  | 918         | 863           | 6020          |                 |
| Total   | 20,407      | 14,913        | 76,499        |                 |
| Less: Inter segment revenues  |             |               |               |                 |
| Sales / Income from operations  | 20407       | 14913         | 76499         |                 |
| <b>2 Segment Results : Profit(+) / Loss (-)</b>                       |             |               |               |                 |
| Before Taxation and Interest & Depreciation                           |             |               |               |                 |
| POWER GENERATION/ DISTRIBUTION  | 850         | 817           | 2604          |                 |
| TRADING OF ROTATING MACHINES  | 254         | 178           | 686           |                 |
| OTHERS  | 206         | 200           | 1863          |                 |
| Total   | 1,310       | 1,195         | 5,153         |                 |
| Less: Interest  | 152         | 83            | 384           |                 |
| Less: Other unallocable expenditure (net off unallocable expenditure) | 578         | 533           | 2042          |                 |
| Total Profit/(Loss) Before Taxation                                   | 580         | 579           | 2,727         |                 |
| <b>3 Capital Employed( Segment Assets-Segment Liabilities)</b>        |             |               |               |                 |
| POWER GENERATION/ DISTRIBUTION  | 2450        | 2176          | 3145          |                 |
| TRADING OF ROTATING MACHINES  | 7780        | 7645          | 7286          |                 |
| OTHERS  | 1398        | 1457          | 1441          |                 |
| TOTAL CAPITAL EMPLOYED IN SEGMENTS                                    | 11628       | 11278         | 11872         |                 |
| ADD: UNALLOCABLE  | 1437        | (562)         | 653           |                 |
| TOTAL CAPITAL EMPLOYED  | 13,065      | 10,716        | 12,525        |                 |

**Consolidated Key Financials\***

Kaytee Switchgear Limited is a Subsidiary (76.34%) of the Company. The consolidated figures for the quarter ended 30/06/2008 as follows:-

Amount Rs.in Lacs

| Particulars   | Quarter ended     |                   | Year Ended       |
|---|-------------------|-------------------|------------------|
|   | June 30, 2008     | June 30, 2007     | 31st March 2008  |
|   | <i>Un-audited</i> | <i>Un-audited</i> | <i>(Audited)</i> |
| Gross Sales   | 20891             | 14929             | 76651            |
| Less : Excise Duty  | 2236              | 1963              | 10059            |
| <b>Net Sales</b>  | <b>18655</b>      | <b>12966</b>      | <b>66592</b>     |
| <b>Profit After Tax</b>                                       | <b>897</b>        | <b>724</b>        | <b>4439</b>      |
| <b>EPS Basic &amp; Diluted (Not Annualised) Rs. Per Share</b> | <b>2.55</b>       | <b>2.16</b>       | <b>12.75</b>     |
| <b>EPS Basic &amp; Diluted (Not Annualised) Rs. Per Share</b> | <b>2.55</b>       | <b>2.03</b>       | <b>12.75</b>     |

\* Not subject to limited review by statutory auditors.

**NOTES:**

- 1 The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on July 30, 2008
- 2 During the quarter, the company received 38 complaints from the shareholders, which have been resolved. There were no complaints remaining unresolved as at the beginning and end of the quarter.
- 3 Earning Per Share (EPS) has been calculated after providing for preference dividend.
- 4 The Board of Directors of the Company have approved the amalgamation of Kaytee Switchgear Limited, (Subsidiary of the Company) with it and the demerger of the operating business of Kirloskar Power Equipments Limited into the Company and issue of shares of the Company as consideration thereof. The appointed date is April 1, 2007. The Scheme has been filed with the Hon'ble High Court of Karnata and was also filed with the Hon'ble High Court of Judicature at Mumbai seeking approval under sections 391-394 of the Companies Act, 1956. The High Court of Judicature at Mumbai has given the approval for demerger of Kirloskar Power Equipments Limited into the Company as proposed and approval from the High Court of Karnataka is awaited. The financial results presented above do not take into account the effect of the proposed Scheme.

**For Kirloskar Electric Company Limited**

PLACE: BANGALORE  
DATE: 30/07/2008

**sd/- Vijay R Kirloskar**  
**Chairman & Managing Director**