

KIRLOSKAR ELECTRIC COMPANY LIMITED, BANGALORE

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

FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2007 (Stand Alone)

Amount Rs.in Lacs

	Particulars	Quarter ended		Nine Months ended		Year ended
		December 31, 2007	December 31, 2006	December 31, 2007	December 31, 2006	31st March 2007
		Reviewed	Reviewed	Reviewed	Reviewed	(Audited)
1	Gross Sales	20153	15195	54060	42106	61867
	Less : Excise Duty	914	508	2403	1634	2727
	Net Sales	19239	14687	51657	40472	59140
2	Other Income	46	26	163	66	248
3	Total Income (1+2)	19,285	14,713	51,820	40,538	59,388
4	Expenditure					
a	(Increase)/decrease in stock in trade	373	135	(739)	112	(147)
b	Consumption of raw materials	5,927	4188	15492	10521	14544
c	Purchase of traded goods	11,074	8632	31839	25857	38696
d	Staff cost	404	273	1152	843	1158
e	Other expenditure	560	730	1421	1417	1729
f	Depreciation, Amortisation & Provisions	76	218	233	394	1233
g	Total	18,414	14,176	49,398	39,144	57,213
5	Interest	73	75	256	208	339
6	Exceptional Items	-	-	-	-	-
7	Profit (+)/Loss (-) from Ordinary Activities before Tax (3-(4+5+6))	798	462	2,166	1,186	1,836
8	Provision for Taxation -(Including Fringe Benefit Tax)	120	15	285	35	165
9	Net Profit (+) / Loss (-) from Ordinary Activities after Tax (7 - 8)	678	447	1,881	1,151	1,671
10	Extraordinary Items	-	-	-	-	78
11	Net Profit for the period (9 + 10)	678	447	1,881	1,151	1,749
12	Paid up Equity Share Capital (face value of Rs. 10/-)	3327	3127	3327	3127	3127
13	Reserves Excluding Revaluation Reserves & Debit Balance in P & L Account (As per Balance Sheet of Previous Accounting Year)	NA	NA	NA	NA	4881
14	Earnings Per Share (EPS)					
a	Basic EPS before Extra ordinary items (not annualised)	1.96	1.35	5.57	3.45	5.03
	Diluted EPS before Extra ordinary items (not annualised)	1.96	1.10	5.57	3.24	4.73
b	Basic EPS after Extra ordinary items (not annualised)	1.96	1.18	5.57	3.45	5.28
	Diluted EPS after Extra ordinary items (not annualised)	1.96	1.10	5.57	3.24	4.96
15	Aggregate of Non-Promoters Shareholding					
	Number of Shares	17706529	17705890	17706529	17705890	17699303
	Percentage of holding	53.22%	56.62%	53.22%	56.62%	56.60%

Revenues, Results & Capital Employed for the Segments for the quarter & nine months ended December 31, 2007 (Stand Alone) Amount Rs.in Lacs

Particulars	Quarter ended		Nine Months ended		Year ended
	December 31, 2007	December 31, 2006	December 31, 2007	December 31, 2006	31st March 2007
	Reviewed	Reviewed	Reviewed	Reviewed	(Audited)
1 Segment Revenues					
POWER GENERATION/ DISTRIBUTION	7115	4911	17514	11972	17353
TRADING OF ROTATING MACHINES	11193	8920	32487	26448	39229
OTHERS	1845	1364	4059	3686	5285
Total	20,153	15,195	54,060	42,106	61,867
Less: Inter segment revenues					
Sales / Income from operations	20153	15195	54060	42106	61867
2 Segment Results : Profit(+) / Loss (-)					
Before Taxation and Interest & Depreciation					
POWER GENERATION/ DISTRIBUTION	890	728	2388	1684	2546
TRADING OF ROTATING MACHINES	215	116	592	460	523
OTHERS	452	268	1024	721	1808
Total	1,557	1,112	4,004	2,865	4,877
Less: Interest	73	75	257	208	339
Less: Other unallocable expenditure (net off unallocable expenditure)	686	575	1581	1471	2624
Total Profit/(Loss) Before Taxation	798	462	2,166	1,186	1,914
3 Capital Employed(Segment Assets-Segment Liabilities)					
POWER GENERATION/ DISTRIBUTION	2606	807	2606	807	1992
TRADING OF ROTATING MACHINES	15533	15276	15533	15276	7346
OTHERS	872	648	872	648	1383
TOTAL CAPITAL EMPLOYED IN SEGMENTS	19011	16731	19011	16731	10721
ADD: UNALLOCABLE	(6943)	(7743)	(6943)	(7743)	(533)
TOTAL CAPITAL EMPLOYED	12,068	8,988	12,068	8,988	10,188

Consolidated Key Financials*

Kaytee Switchgear Limited is a Subsidiary (76.34%) of the Company. The consolidated figures for the quarter and nine months ended December 31, 2007 are as follows:-

Particulars	Amount Rs.in Lacs	
	Quarter ended	Nine Months Ended
	December 31, 2007	December 31, 2007
	<i>Un-audited</i>	<i>Un-audited</i>
Gross Sales	19926	53927
Less : Excise Duty	2273	6725
Net Sales	17653	47202
Profit After Tax	1188	3200
EPS Basic & Diluted (Not Annualised) Rs. Per Share	3.50	9.63

* Not subject to limited review by statutory auditors.

NOTES:

- The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on January 28, 2008
- The above results have been reviewed by our statutory auditors.
- During the quarter, the company received 29 complaints from the shareholders, which have been resolved. There were no complaints remaining unresolved as at the beginning and end of the quarter.
- Earning Per Share (EPS) has been calculated after providing for preference dividend.
- The auditors have qualified on certain issues in their report dated 25/01/2007 on the annual accounts for the year ended 31/03/2007 & have also reported certain other issue in their limited reviews. The Company has initiated corrective actions and the observations by the auditors are not expected to materially affect the profit for the period ended 31/12/2007.
- Certain expenses have been regrouped for the quarter ended December 31, 2006 for segment reporting.

8 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 Company has already filed the Scheme with the relevant Stock Exchanges, where its shares are listed / traded and is awaiting their consent. The Scheme will, thereafter be filed with the Honorable High Court of Karnataka & Bombay, seeking approval under sections 391-394 of the Companies Act, 1956. The financial results presented above do not take into account the effect of the proposed scheme, pending receipt of necessary approvals.

For Kirloskar Electric Company Limited

Vijay R Kirloskar
Chairman & Managing Director

PLACE: BANGALORE

DATE: 28/01/2008