

**Kirloskar Brothers International B.V.**  
**Consolidated Balance Sheet as at 31 March 2021**  
**(Amounts in Euro)**

Particulars	Note	31 March 2021	31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	1,15,60,688	1,19,10,866
Capital work-in-progress	4	19,310	2,31,423
Goodwill	3	2,19,664	2,36,309
Other Intangible assets	3	2,28,585	3,63,433
Right to use asset		28,71,661	38,92,817
Financial Assets			
Investments accounted using equity method	5	-	5,223
Loans	7	1,59,569	1,52,042
Deferred tax assets (net)	19	14,72,497	17,76,347
Other non-current assets	9	61,634	1,20,235
<b>Total non-current assets</b>		<b>1,65,93,608</b>	<b>1,86,88,695</b>
<b>Current assets</b>			
Inventories	10	2,28,88,254	1,98,68,837
Financial Assets			
Trade receivables	6	1,97,76,310	2,76,66,786
Cash and cash equivalents	11 a	63,29,553	1,04,47,089
Other bank balances	11 b	-	1,59,911
Loans	7	48,229	26,207
Others	8	13,331	34,397
Current Tax Assets (net)	19	57,785	36,578
Other current assets	9	73,55,663	69,96,851
<b>Total current assets</b>		<b>5,64,69,125</b>	<b>6,52,36,656</b>
<b>TOTAL ASSETS</b>		<b>7,30,62,733</b>	<b>8,39,25,351</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	1,98,07,600	1,98,07,600
Other equity	13	1,61,577	(81,60,021)
<b>Total equity</b>		<b>1,99,69,178</b>	<b>1,16,47,579</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	14	57,36,931	67,85,355
Other financial liabilities	16	11,17,689	15,76,638
Provisions	17	1,85,370	1,18,593
<b>Total non-current liabilities</b>		<b>70,39,988</b>	<b>84,80,586</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	14	1,17,91,076	2,46,08,378
Trade payables	15	2,11,75,792	2,43,72,983
Other financial liabilities	16	79,21,845	92,98,945
Other current liabilities	18	38,69,368	40,89,840
Provisions	17	12,95,485	14,27,040
<b>Total current liabilities</b>		<b>4,60,53,568</b>	<b>6,37,97,186</b>
<b>Total liabilities</b>		<b>5,30,93,555</b>	<b>7,22,77,772</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,30,62,733</b>	<b>8,39,25,351</b>

Corporate information 1  
Summary of significant accounting policies 2  
See accompanying notes to financial statements  
The notes referred to above form an integral part of the financial statements

**As per our report of even date attached**

**For P G BHAGWAT LLP**

Chartered Accountants

Firm's registration no. 101118W/W100682

**For and on behalf of the Board of Directors**

**Sanjay Kirloskar**

Chairman

DIN : 00007885

Pune : 19 May 2021

**Alok Kirloskar**

Managing Director

DIN : 05324745

Pune : 19 May 2021

**Abhijeet Bhagwat**

Partner

Membership no. 136835

Pune : 19 May 2021

**C.M. Mate**

Group CFO

Pune : 19 May 2021

**Kirloskar Brothers International B.V.**  
**Consolidated statement of profit and loss for the year ended 31 March 2021**  
**(Amounts in Euro)**

Particulars	Notes	Year ended	Year ended
		31 March 2021	31 March 2020
Revenue from contracts with customers	20	10,66,35,510	13,13,29,402
Other Income	21	24,41,315	20,50,171
<b>Total Income</b>		<b>10,90,76,824</b>	<b>13,33,79,573</b>
<b>Expenses</b>			
Cost of materials consumed	22	5,58,76,105	6,81,47,317
Purchases of Stock-in-Trade		53,40,231	13,08,984
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	22	(28,92,769)	57,09,677
Employee benefits expense	23	2,64,12,463	3,02,31,655
Finance costs	24	21,06,355	29,75,576
Depreciation and amortization expense	25	25,25,091	29,05,660
Other expenses	26	1,47,12,543	2,38,58,409
<b>Total expenses</b>		<b>10,40,80,019</b>	<b>13,51,37,278</b>
Profit/(loss)before exceptional items and tax		49,96,805	(17,57,705)
Exceptional items		-	-
<b>Profit / (loss) before tax</b>		<b>49,96,805</b>	<b>(17,57,705)</b>
<b>Tax expenses</b>	19		
(1) Current tax		3,04,532	2,49,570
(2) Deferred tax		2,77,329	91,513
(3) Short provision of earlier years		-	(1,68,503)
<b>Total Tax expenses</b>		<b>5,81,861</b>	<b>1,72,580</b>
<b>Profit after tax but before share in profit of joint venture company for the year</b>		<b>44,14,944</b>	<b>(19,30,285)</b>
<b>Share in profit of joint venture company</b>		-	(91)
<b>Profit for the year</b>		<b>44,14,944</b>	<b>(19,30,376)</b>
<b>Other Comprehensive Income</b>	27		
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements gains and losses on post employments benefits		-	44,401
<b>Items that will be reclassified to profit or loss</b>			
Foreign currency translation reserve		(93,346)	(1,39,016)
<b>Other comprehensive income</b>		<b>(93,346)</b>	<b>(94,615)</b>
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>43,21,599</b>	<b>(20,24,991)</b>
<b>Earnings per equity share</b>	32		
(1) Basic		22.29	(9.75)
(2) Diluted		22.29	(9.75)

Corporate information 1  
Summary of significant accounting policies 2  
See accompanying notes to financial statements  
The notes referred to above form an integral part of the financial statements

**As per our report of even date attached**  
**For P G BHAGWAT LLP**  
Chartered Accountants  
Firm's registration no. 101118W/W100682

**For and on behalf of the Board of Directors**

**Sanjay Kirloskar**  
Chairman  
DIN : 00007885  
Pune : 19 May 2021

**Alok Kirloskar**  
Managing Director  
DIN : 05324745  
Pune : 19 May 2021

**Abhijeet Bhagwat**  
Partner  
Membership no. 136835  
Pune : 19 May 2021

**C.M. Mate**  
Group CFO  
Pune : 19 May 2021

**Kirloskar Brothers International B.V.**  
**Consolidated Statement of Cash Flow for the year ended 31 March 2020**  
**(Amounts in Euro)**

	Particulars	Year ended	Year ended
		31 March 2021	31 March 2020
<b>A</b>	<b>Cashflows from Operating Activities</b>		
	Net Profit before taxation and extraordinary items	49,96,805	(17,57,705)
	Adjustments for :-		
1	Depreciation / Amortization	25,25,091	29,05,660
2	Loss on sale of Fixed Assets	0	16,879
3	Bad debts written off	1,00,633	57,575
4	Provision for doubtful debts, advances and claims	(49,357)	74,163
5	Interest Income	(58,449)	(8,291)
6	Interest Expenses	21,06,355	29,75,576
7	Unrealised exchange ( gain)/ Loss - Others	(10,40,840)	2,72,344
	<b>Operating Profit Before Working capital changes</b>	<b>85,80,239</b>	<b>45,36,201</b>
	Adjustments for :-		
1	(Increase)/ decrease in inventories	(30,19,417)	81,33,411
2	(Increase)/ decrease in trade receivables, other financial assets, other bank balances and other assets	76,90,409	86,71,928
3	Increase/ (decrease) in trade payable	(31,97,191)	(1,29,32,545)
4	Increase/ (decrease) in financial and non-financial liabilities	(20,51,856)	31,33,327
5	Increase/ (decrease) in provisions	(64,778)	(4,31,488)
	<b>Cash Generated from Operations</b>	<b>79,37,407</b>	<b>1,11,10,834</b>
6	Income Tax (Paid ) / Refunded	(3,25,738)	-293618.49
	<b>Net Cash from Operating Activities</b>	<b>76,11,668</b>	<b>1,08,17,215</b>
<b>B</b>	<b>Cashflows from Investing Activities</b>		
1	Purchase of Fixed Assets and investment property	(5,11,167)	(62,66,421)
2	Sale of Fixed Assets and investment property	7,00,261	8,37,183
3	Interest Received	58,449	8,291
4	Loan to joint venture	-	11,378
	<b>Net Cash from Investment Activities</b>	<b>2,47,543</b>	<b>(54,09,569)</b>
<b>C</b>	<b>Cash Flows from Financing Activities</b>		
1	Proceeds from borrowing	-	23,44,777
2	Repayment of borrowings	(10,53,090)	(3,98,401)
	Repayment of/ proceeds from short term borrowings	(1,28,17,302)	29,79,361
3	Interest Paid	(21,06,355)	(29,75,576)
4	Proceeds from issuance of share capital	40,00,000	-
	<b>Net Cash used in Financing Activities</b>	<b>(1,19,76,747)</b>	<b>19,50,161</b>
	Net Increase in Cash and Cash Equivalents	(41,17,535)	73,57,808
1	Cash & Cash Equivalents at beginning of period	1,04,47,089	30,89,281
2	Cash & Cash Equivalents at end of period (refer note 11a)	63,29,553	1,04,47,089

Note 1. Previous year's figures are regrouped wherever necessary to make them comparable with the Current year.  
2. Cash flow is prepared using indirect method.

As per our report of even date attached

For and on behalf of the Board of Directors

For P G BHAGWAT LLP

Chartered Accountants

Firm's registration no. 101118W/W100682

Sanjay Kirloskar

Chairman

DIN : 00007885

Pune : 19 May 2021

Alok Kirloskar

Managing Director

DIN : 05324745

Pune : 19 May 2021

Abhijeet Bhagwat

Partner

Membership no. 136835

Pune : 19 May 2021

C.M. Mate

Group CFO

Pune : 19 May 2021

**Kirloskar Brothers International B.V.**

**Consolidated statement of Changes in Equity for the period ended 31 March 2021**

(Amounts in Euro)

**A. Equity Share Capital**

Balance as at 1 April 2019	Changes in equity share capital during the year	Balance as at 31 March 2020
1,98,07,600	-	1,98,07,600

Balance as at 31 March 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
1,98,07,600	(0)	<b>1,98,07,600</b>

**B. Other Equity**

	Foreign currency translation reserve	Reserves and Surplus			Total
		Capital redemption reserve	Securities Premium Reserve	Retained Earnings	
Balance as at 1 April 2019	4,93,453	59,859	47	(66,88,390)	(61,35,031)
Additional shares issued during the year			-		-
Profit for the year				(19,30,376)	(19,30,376)
Other comprehensive income	(1,39,016)			44,401	(94,615)
<b>Balance as at 31 March 2020</b>	<b>3,54,437</b>	<b>59,859</b>	<b>47</b>	<b>(85,74,364)</b>	<b>(81,60,021)</b>
Additional shares issued during the year			<b>40,00,000</b>		<b>40,00,000</b>
Profit for the year				<b>44,14,944</b>	<b>44,14,944</b>
Other comprehensive income	<b>(93,346)</b>			-	<b>(93,346)</b>
<b>Balance as at 31 March 2021</b>	<b>2,61,092</b>	<b>59,859</b>	<b>40,00,047</b>	<b>(41,59,421)</b>	<b>1,61,577</b>

**As per our report of even date attached  
For P G BHAGWAT LLP**

Chartered Accountants  
Firm's registration no. 101118W/W100682

**Abhijeet Bhagwat**

Partner  
Membership no. 136835  
Pune : 19 May 2021

**For and on behalf of the Board of Directors**

**Sanjay Kirloskar**  
Chairman  
DIN : 00007885  
Pune : 19 May 2021

**Alok Kirloskar**  
Managing Director  
DIN : 05324745  
Pune : 19 May 2021

**C.M. Mate**

Group CFO  
Pune : 19 May 2021

Consolidated notes to accounts

Note 3 : Property, Plant and Equipment , Goodwill and Other Intangible assets

(Amounts in Euro)

	Tangible Assets						Intangible Assets			Goodwill
	Land Free hold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Total	Computer software	Trade marks, Patents, Intellectual property rights	Total	
<b>Gross Block</b>										
<b>As at 1 April 2019</b>	24,72,244	90,69,273	1,18,92,423	64,31,680	2,91,285	3,01,56,905	3,49,763	16,97,224	20,46,988	2,37,994
Additions	-	8,69,362	1,95,657	87,934	-	11,52,953	2,602	35,596	38,198	-
Disposals/ impairment	(8,40,450)	(15,106)	(60,281)	(7,937)	(9,358)	(9,33,133)	-	-	-	-
Exchange difference	13,308	(2,48,163)	(3,30,849)	(1,09,257)	(31,080)	(7,06,042)	(31,130)	(14,108)	(45,239)	(1,685)
<b>As at 31 March 2020</b>	<b>16,45,103</b>	<b>96,75,366</b>	<b>1,16,96,949</b>	<b>64,02,420</b>	<b>2,50,847</b>	<b>2,96,70,682</b>	<b>3,21,236</b>	<b>17,18,712</b>	<b>20,39,947</b>	<b>2,36,309</b>
Additions	-	33,902	15,07,308	1,63,810	27,610	17,32,630	7,028	4,778	11,806	-
Disposals / impairment	-	-	(5,38,219)	(64,807)	(41,429)	(6,44,455)	(1,56,175)	-	(1,56,175)	-
Exchange difference	(1,07,896)	68,693	3,19,974	70,907	17,947	3,69,626	9,104	(56,750)	(47,647)	(16,645)
<b>As at 31 March 2021</b>	<b>15,37,207</b>	<b>97,77,961</b>	<b>1,29,86,012</b>	<b>65,72,330</b>	<b>2,54,976</b>	<b>3,11,28,483</b>	<b>1,81,192</b>	<b>16,66,739</b>	<b>18,47,931</b>	<b>2,19,664</b>
<b>Depreciation/ Amortisation</b>										
<b>As at 1 April 2019</b>	-	25,84,024	82,18,713	53,80,677	2,65,500	1,64,48,913	2,71,760	13,36,142	16,07,904	-
Charge for the year	-	5,45,987	9,69,278	3,37,158	15,899	18,68,322	3,017	75,670	78,687	-
Depreciation on disposal	-	(1,700)	(59,388)	(8,624)	(9,358)	(79,071)	-	-	-	-
Exchange difference	-	(36,573)	(2,87,926)	(1,22,991)	(30,857)	(4,78,348)	(22,385)	12,309	(10,077)	-
<b>As at 31 March 2020</b>	<b>-</b>	<b>30,91,738</b>	<b>88,40,675</b>	<b>55,86,220</b>	<b>2,41,184</b>	<b>1,77,59,816</b>	<b>2,52,392</b>	<b>14,24,122</b>	<b>16,76,514</b>	<b>-</b>
Charge for the year	-	2,68,347	12,47,530	2,41,395	6,160	17,63,432	10,415	70,981	81,396	-
Depreciation on disposal	-	-	(8,604)	(61,838)	(29,926)	(1,00,368)	-	-	-	-
Exchange difference	-	22,264	(4,636)	1,28,684	(1,396)	1,44,917	(1,00,677)	(37,888)	(1,38,564)	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>33,82,349</b>	<b>1,00,74,966</b>	<b>58,94,460</b>	<b>2,16,022</b>	<b>1,95,67,796</b>	<b>1,62,130</b>	<b>14,57,216</b>	<b>16,19,346</b>	<b>-</b>
<b>Net block</b>										
As at 31 March 2020	16,45,103	65,83,628	28,56,274	8,16,200	9,663	1,19,10,866	68,844	2,94,590	3,63,433	2,36,309
<b>As at 31 March 2021</b>	<b>15,37,207</b>	<b>63,95,612</b>	<b>29,11,045</b>	<b>6,77,870</b>	<b>38,954</b>	<b>1,15,60,688</b>	<b>19,062</b>	<b>2,09,524</b>	<b>2,28,585</b>	<b>2,19,664</b>

1) Property, plant and equipment pledged as security

Refer note 14, for details of assets pledged as security.

Kirloskar Brothers International B.V.  
 Consolidated notes to accounts  
 (Amounts in Euro)

**Note 4 : Capital work-in-progress**

Particulars	31 March 2021	31 March 2020
Capital work-in-progress	19,310	2,31,423
	<b>19,310</b>	<b>2,31,423</b>

**Note 5 : Financial Assets : Investments**

Sr No	Particulars	Face Value	Partly Paid / Fully paid	Extent of holding (%)		Amount in Euros	
				31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Non-current investments</b>							
I	Investment in equity shares (unquoted)						
a	Investment in Joint venture accounted using equity method						
1	SPP Neziv Pump Solution Proprietary Limited	Rand 100	Fully Paid	-	49%	-	5,223

Kirloskar Brothers International B.V.  
Consolidated notes to accounts  
(Amounts in Euro)

**Note 6 : Financial Assets: Trade receivables**

Particulars	31 March 2021	31 March 2020
<b>Current</b>		
Unsecured, considered good	1,97,76,310	2,76,66,786
Doubtful	8,07,727	11,68,676
	2,05,84,037	2,88,35,462
Less: Provision for doubtful receivables	8,07,727	11,68,676
<b>Total trade receivables</b>	<b>1,97,76,310</b>	<b>2,76,66,786</b>

**Note 7 : Financial Assets: Loans**

Particulars	31 March 2021	31 March 2020
<b>Non-current</b>		
(a) <b>Security deposits</b>		
Unsecured, considered good	1,59,569	1,52,042
Doubtful	-	-
	1,59,569	1,52,042
Less: Provision for doubtful deposits	-	-
	1,59,569	1,52,042
	1,59,569	1,52,042
<b>Current</b>		
(a) <b>Security deposits</b>		
Unsecured, considered good	48,229	26,207
Doubtful	-	-
	48,229	26,207
Less: Provision for doubtful deposits	-	-
	48,229	26,207
<b>Total loans</b>	<b>2,07,798</b>	<b>1,78,249</b>

**Note 8 : Financial Assets: Others**

Particulars	31 March 2021	31 March 2020
<b>Current</b>		
(a) <b>Miscellaneous claims</b>	13,331	34,397
<b>Total other financial asset</b>	<b>13,331</b>	<b>34,397</b>

**Note 9 : Other non-financial assets**

Particulars	31 March 2021	31 March 2020
<b>Non-current</b>		
(a) <b>Prepaid expenses</b>	61,634	1,20,235
	<b>61,634</b>	<b>1,20,235</b>
<b>Current</b>		
(a) <b>Advances to supplier and others</b> Unsecured, considered good	9,06,800	8,74,674
(b) <b>Prepaid expenses</b>	16,86,282	14,39,289
(c) <b>Retentions</b>	25,46,747	29,06,470
(d) <b>Statutory claims receivable</b>	22,15,823	17,76,418
	<b>73,55,663</b>	<b>69,96,851</b>
<b>Total other assets</b>	<b>74,17,297</b>	<b>71,17,086</b>

**Note 10 : Inventories**

Particulars	31 March 2021	31 March 2020
(a) Raw Materials *	1,05,48,642	1,04,21,994
(b) Work-in-progress	89,81,839	63,31,831
(c) Finished goods	10,14,793	9,02,982
(d) Stock-in-trade	23,42,980	22,12,030
(Valued at cost or NRV whichever is lower)		
	<b>2,28,88,254</b>	<b>1,98,68,837</b>

\* Includes goods in transit of Euro 5,02,452 (PY - Euro 4,24,305)

**Note 11 a : Cash and cash equivalents**

Particulars	31 March 2021	31 March 2020
(a) <b>Balances with bank</b>	63,19,513	1,04,39,215
(b) <b>Cash on hand</b>	10,040	7,874
	<b>63,29,553</b>	<b>1,04,47,089</b>

**Note 11 b : Other bank balances**

Particulars	31 March 2021	31 March 2020
(a) <b>Margin money with the bank</b> (against the bank guarantees issued- not free for disposal)	-	1,59,911
	-	1,59,911



**Note 12: Equity share capital**

Particulars	31 March 2021	31 March 2020
<b>Issued &amp; subscribed</b>		
<b>Issued Share Capital</b> 198,076 (198,076) equity shares of EUR 100 each (EUR 100 each)*	<b>1,98,07,600</b>	1,98,07,600
<b>Fully Paid up Share Capital</b> 198,076 (198,076) equity shares of EUR 100 each (EUR 100 each)*	<b>1,98,07,600</b>	1,98,07,600
	<b>1,98,07,600</b>	1,98,07,600

**a) Terms/rights attached to equity shares**

The company has only one class of equity shares, having par value of EUR 100 per share. Each holder of equity share is entitled to one vote per share and has a right to receive dividend as recommended by the board of directors subject to the necessary approval from the shareholders. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of share capital**

	31 March 2021		31 March 2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	1,98,076	1,98,07,600	1,98,076	1,98,07,600
Shares Issued during the year	-	-	-	-
Shares Issued during the year for share premium	-	-	-	-
Shares outstanding at the end of the year	1,98,076	1,98,07,600	1,98,076	1,98,07,600

**c) Details of shareholder holding more than 5% shares**

	31 March 2021		31 March 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Kirloskar Brothers Limited (Holding Company)	1,98,076	100	1,98,076	100

\* During the preceding five years no shares were bought back or allocated as fully paid up pursuant to contract without payment being received in cash or as bonus shares.

**Kirloskar Brothers International B.V.**  
**Consolidated notes to accounts**  
**(Amounts in Euro)**

**Note 13: Other equity**

Particulars	31 March 2021	31 March 2020
(a) <b>Capital redemption reserve</b>	<b>59,859</b>	59,859
(b) <b>Securities premium reserve</b>		
Opening balance	47	47
Add: Securities premium credited on shares issue	<b>40,00,000</b>	-
Less: Utilised for issue of shares during the year		
	<b>40,00,047</b>	47
(c) <b>Foreign currency translation reserve (FCTR)</b>		
Opening balance	<b>3,54,437</b>	4,93,453
Add: Current year transfer	<b>(93,346)</b>	(1,39,016)
	<b>2,61,092</b>	3,54,437
(d) <b>Retained Earnings</b>		
Opening balance	<b>(85,74,364)</b>	(66,88,390)
Add: Total comprehensive income for the year (Excluding FCTR)	<b>44,14,944</b>	(18,85,974)
<b>Closing balance</b>	<b>(41,59,420)</b>	(85,74,364)
	<b>1,61,577</b>	(81,60,021)

**Note 14 : Financial Liabilities: Borrowings**

Particulars	31 March 2021	31 March 2020
<b>Non-current Secured</b>		
(a) Term loan from ABSA bank (Terms of loan : Loan is issued against security of building @ 9% p.a. and is repayable over 10 years)	<b>4,94,048</b>	4,98,826
(c) Term loan from ICICI bank (Terms of loan : Loan is issued against corporate guarantee issued by holding company, Kirloskar Brothers Limited. It carries interest rate as Euribor + 2.5% and repayable over 66 months from August 2015. )	-	6,00,000
(d) Term loan from other banks (Terms of loan : Loan is issued against security of Land, building, equipments @ LIBOR+2.5%. The loan is repayable in equated installments spread over the period till June 2023)	<b>54,32,567</b>	58,80,879
	<b>59,26,614</b>	69,79,705
Less- Current maturities of non current borrowings disclosed under the head 'Other Current financial Liabilities (refer note 16)	1,89,683	1,94,349
<b>Total non-current borrowings</b>	<b>57,36,931</b>	67,85,356

<b>Current Secured</b>		
<b>1) Loans repayable on demand from bank</b>		
(i) Cash / export credit facilities and bank overdrafts Terms of loan: Group has short term facilities carrying variable interest rate (2% to 6% p.a. based on prime lending rates) from various banks. Loans are secured primarily against the trade receivables/ inventory.	<b>13,85,265</b>	37,87,438
(ii) Working capital demand loans  Terms of loan: Group has working capital demand loans from CITI, ICICI, Barclays and ABSA bank carrying interest @ 2% to 4.65% per annum. Loans are secured primarily against the trade receivables/ inventory and corporate guarantee issued by Holding company, Kirloskar Brothers India.	<b>78,63,774</b>	1,70,63,112
<b>Total secured loan - Current</b>	<b>92,49,038</b>	2,08,50,550
<b>Unsecured</b>		
(a) <b>Short term loans and advances from banks</b> (Terms of loan: Subsidiary company Kirloskar Brothers Thailand has unsecured repayable on demand loan carrying interest rate between 2.77% to 3.55%)	<b>25,42,038</b>	37,57,829
<b>Total unsecured loan - Current</b>	<b>25,42,038</b>	37,57,829
<b>Total current borrowings</b>	<b>1,17,91,076</b>	2,46,08,379
<b>Total borrowings</b>	<b>1,75,28,007</b>	3,13,93,735

**Note 15 : Financial Liabilities: Trade payables**

Particulars	31 March 2021	31 March 2020
<b>Current</b>		
Total outstanding dues of creditors other than micro enterprises & small enterprises	<b>2,11,75,792</b>	2,43,72,983
<b>Total trade payable</b>	<b>2,11,75,792</b>	2,43,72,983

**Terms and conditions of the above financial liabilities:**

- 1) Trade payables are non-interest bearing and are normally settled on 60 to 90 days terms

**Note 16: Other financial liabilities**

Particulars	31 March 2021	31 March 2020
<b>Non-current</b>		
(a) <b>Financial guarantee contracts and other liabilities</b>	<b>3,54,061</b>	4,31,989
(b) <b>Lease liability</b>	<b>7,63,628</b>	11,44,649
	<b>11,17,689</b>	15,76,638
<b>Current</b>		
(a) <b>Current maturities of long term loan (refer note 14)</b>	<b>1,89,683</b>	1,94,349
(b) <b>Others</b>		
Salary & Reimbursements	<b>12,82,876</b>	12,99,272
Provision for expenses	<b>33,71,160</b>	34,57,663
Financial guarantee contracts	<b>7,48,917</b>	5,53,700
Forward contract liabilities	-	8,90,874
Lease liability	<b>23,29,208</b>	29,03,087
	<b>77,32,162</b>	91,04,596
	<b>79,21,845</b>	92,98,945
<b>Total other financial liabilities</b>	<b>90,39,534</b>	1,08,75,583

**Terms and conditions of the above financial liabilities:**

- 1) Other payables are non-interest bearing and have an average term of six months.
- 2) For explanations on the Group's credit risk management processes, (refer note 36)

**Note 17: Provisions**

Particulars	31 March 2021	31 March 2020
<b>Non-current</b>		
<b>Provision for employee benefits</b>		
Pension scheme (refer note 33)	<b>1,45,370</b>	1,18,593
Provision for product warranty	<b>40,000</b>	-
	<b>1,85,370</b>	1,18,593
<b>Current</b>		
<b>Other provision (refer note 32)</b>		
Provision for product warranty	<b>10,41,142</b>	10,40,169
Provision for loss on long term contracts	<b>2,54,344</b>	3,86,871
	<b>12,95,485</b>	14,27,040
<b>Total provisions</b>	<b>14,80,855</b>	15,45,633

**Note 18: Other current liabilities**

Particulars	31 March 2021	31 March 2020
<b>Current</b>		
(a) Advance from customer	<b>24,51,145</b>	32,69,737
(b) Contribution towards social security plans	<b>13,10,893</b>	7,43,478
(c) Statutory dues	<b>1,07,330</b>	76,625
	<b>38,69,368</b>	40,89,840
<b>Total other non-financial liabilities</b>	<b>38,69,368</b>	40,89,840

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 Note 19 : Income tax

(1) The major components of income tax expense for the period ended 31 March 2021 and 31 March 2020 are:

(a) Profit or loss

Particulars	31 March 2021	31 March 2020
<b>Current income tax:</b>		
Current income tax charge	3,04,530	2,49,570
Adjustments in respect of current income tax of previous year	-	(1,68,503)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	2,77,329	91,513
<b>Income tax expense reported in the statement of profit or loss</b>	<b>5,81,858</b>	<b>1,72,580</b>

(b) Balance sheet

Deferred tax

Reflected in balance sheet as	31 March 2021	31 March 2020
Deferred tax asset	14,72,497	17,76,347
Deferred tax liability		
<b>Net Deferred tax asset</b>	<b>14,72,497</b>	<b>17,76,347</b>

(c) Current tax

Reflected in balance sheet as	31 March 2021	31 March 2020
Current tax Asset/(liability)	57,785	36,578
	<b>57,785</b>	<b>36,578</b>

**Note 20: Revenue from contracts with customers**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) <b>Sale of products</b>	<b>10,61,80,635</b>	12,95,28,939
(b) <b>Sale of services</b>	<b>2,95,695</b>	6,35,173
(c) <b>Other operating revenues</b>	<b>10,64,76,331</b> <b>1,59,179</b>	13,01,64,112 11,65,290
	<b>10,66,35,510</b>	13,13,29,402

**Note 21: Other Income**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) <b>Interest Income on financial assets at amortised cost</b> From customers and others (at effective rate of interest)	<b>58,449</b>	8,291
(b) <b>Other non-operating income</b>	<b>23,82,864</b>	20,41,880
	<b>24,41,315</b>	20,50,171

**Note 22: Cost of materials consumed , Changes in inventories of finished goods, Stock-in -Trade and work-in-progress**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) <b>Raw materials including packaging materials consumed</b>	<b>5,58,76,105</b>	6,81,47,317
(b) <b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Opening Stock</b>		
Finished goods	<b>9,02,982</b>	5,12,619
Work-in- progress	<b>63,31,831</b>	1,16,30,300
Stock in trade	<b>22,12,030</b>	30,13,601
	<b>94,46,843</b>	1,51,56,520
<b>Closing Stock</b>		
Finished goods	<b>10,14,793</b>	9,02,982
Work-in- progress	<b>89,81,839</b>	63,31,831
Stock in trade	<b>23,42,980</b>	22,12,030
	<b>1,23,39,612</b>	94,46,843
	<b>(28,92,769)</b>	57,09,677

**Note 23: Employee benefits expense**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) <b>Salaries, wages and bonus</b>	<b>2,40,94,943</b>	2,77,89,922
(b) <b>Defined contribution plans/ social security expenses</b>	<b>18,92,295</b>	20,01,596
(c) <b>Defined benefit plans (Refer note 33)</b>	<b>29,278</b>	40,077
(d) <b>Welfare expenses</b>	<b>3,95,948</b>	4,00,060
	<b>2,64,12,463</b>	3,02,31,655

**Note 24: Finance costs**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) Interest expense	11,50,504	17,13,887
(c) Other borrowing costs (includes bank guarantee commission, LC charges, loan processing charges)	9,55,852	12,61,689
	<b>21,06,355</b>	<b>29,75,576</b>

**Note 25: Depreciation and amortization expense**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
(a) Depreciation on property, plant and equipment	17,63,432	18,68,322
(b) Amortization of intangible assets	81,396	78,687
(c) Depreciation on right to use	6,80,263	9,58,651
	<b>25,25,091</b>	<b>29,05,660</b>

**Note 26: Other expenses**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Stores and spares consumed	12,47,657	17,16,095
Processing charges	8,12,043	5,47,603
Power & fuel	7,31,490	8,88,465
Repairs and maintenance		
Plant and machinery	3,27,489	3,75,193
Buildings	3,19,436	5,77,983
Other	1,69,135	2,21,024
Rent expenses for short term or low value leases	2,48,741	3,71,538
Rates and taxes	5,32,449	5,72,812
Travel and conveyance	7,40,091	23,21,001
Communication expenses	3,87,277	4,36,047
Insurance	13,72,712	14,89,913
Royalties and fees	91,181	1,13,277
Freight and forwarding charges	18,95,590	31,17,185
Brokerage and commission	15,01,744	25,32,623
Advertisements and publicity	2,17,477	3,92,708
Provision for product warranty	2,95,311	5,09,640
Loss on sale/disposal of fixed assets	0	16,879
Provision for doubtful debts	(49,357)	74,163
Bad debts written off	1,00,633	57,575
Auditor's remuneration (refer note 30)	3,49,904	4,60,836
Professional, consultancy and legal expenses	11,59,149	17,07,486
Security services	33,157	40,993
Computer services	9,24,859	9,31,744
Stationery & Printing	2,48,970	1,97,202
Training course expenses	1,78,898	1,78,490
Outside labour charges	7,37,579	9,73,218
Foreign exchange loss (net)	(20,55,053)	3,15,027
Other miscellaneous expenses	21,93,983	27,21,689
	<b>1,47,12,543</b>	<b>2,38,58,409</b>

**Note 27: Other Comprehensive Income**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement gains and losses	-	44,401
<b>Items that will be reclassified to profit or loss</b>		
Foreign currency translation reserve	(93,346)	(1,39,016)
	<b>(93,346)</b>	<b>(94,615)</b>





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**Note 28: Contingent liabilities**

<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
<b>Other money for which the company is contingently liable for</b>		
Value Added Tax / Sales Tax / Withholding tax / Salary tax (Matter Subjudice)	<b>35,342</b>	27,831
	<b>35,342</b>	27,831

**Note 29: Commitments**

<b>Particulars</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Letter of credit outstandings	<b>61,979</b>	14,22,375
<b>Lease and rent commitment due in-</b>		
Less than 1 year	<b>6,98,118</b>	6,98,118
1 to 5 years	<b>3,51,313</b>	10,49,431
More than 5 years		-
	<b>10,49,431</b>	17,47,549
	<b>11,11,410</b>	31,69,924

**Note 30: Remuneration to auditors**

Particulars	Year ended	Year ended
	31 March 2021	31 March 2020
a) Audit Fees	2,52,834	3,69,275
b) Tax Audit Fees	49,515	37,230
c) VAT audit fees	705	3,998
d) Other services	46,850	48,293
e) Expenses reimbursed	-	2,040
<b>Total audit fees</b>	<b>3,49,904</b>	<b>4,60,836</b>

**Note 31: Earnings per share (Basic and diluted)**

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
a) Profit for the year before tax	49,96,805	(17,57,705)
Less : Attributable Tax thereto	5,81,861	1,72,580
Add- Share in profit/(loss) of joint venture	-	(91)
Profit after Tax	44,14,944	(19,30,375)
b) Weighted average number of equity shares used as denominator	1,98,076	1,98,076
c) Basic and diluted earning per share of nominal value of Euro 100- each	22.29	(9.75)

**Note 32: Movement in provision**

Particulars	Provision for product warranty	Provision for long term contracts	Total
<b>Carrying amount as at 1 April 2019</b>	9,51,470	9,76,158	19,27,628
Provision during the year 2019-20	5,09,640	(5,89,287)	(79,648)
Amount utilized during the year 2019-20	(4,20,941)		(4,20,941)
Amount reversed during the year 2019-20			-
Foreign exchange difference			-
<b>Carrying amount as at 31 March 2020</b>	10,40,169	3,86,871	14,27,041
Provision during the year 2020-21 (net of reversal)	2,95,311		2,95,312
Amount utilized during the year 2020-21	(2,94,338)	(1,32,527)	(4,26,865)
<b>Carrying amount as at 31 March 2021</b>	<b>10,41,142</b>	<b>2,54,344</b>	<b>12,95,487</b>

**Note 33: Employee benefits**

**i. Defined Contribution Plans:**

Amount of **Euro 18,92,295** (Euro 20,01,596) is recognised as an expense and included in Employees benefits expense (Note-23 in the Profit and Loss Statement.)

**ii. Defined Benefit Plans:**

Subsidiary company, Kirloskar Brothers (Thailand) Limited operates Legal Severance Pay Plan as provided in accordance with the Labor Protection Act in Thailand. Details of the plan are as-

The scheme is applicable to all employees immediately upon hire. Company has obligations to pay the legal severance pay towards its employees when they reach a retirement age. It is determined based on the employee's age, length of employment services and salary increase rate, among etc as -

<b>Years of service</b>	<b>Amount of LSP</b>
≥ 120 days but <1 year	30 days of plan wages
1 year to <3 years	90 days of plan wages
3 years to <6 years	180 days of plan wages
6 years to <10 years	240 days of plan wages
10 years to <20 years	300 days of plan wages
20 years or more	400 days of plan wages

**a) The amounts recognised in Balance Sheet are as follows:**

<b>Particulars</b>	<b>Unfunded pension plan</b>	Unfunded pension plan
	<b>31 March 2021</b>	31 March 2020
Present Value of Defined Benefit Obligation	<b>1,45,370</b>	1,18,593
	<b>1,45,370</b>	1,18,593

**b) The amounts recognised in the statement of profit and Loss are as follows:**

<b>Particulars</b>	<b>Unfunded pension plan</b>	Unfunded pension plan
	<b>31 March 2021</b>	31 March 2020
Current Service Cost	<b>27,037</b>	31,766
Past service cost	<b>465</b>	4,968
Net Interest (income)/expenses	<b>1,776</b>	3,343
	<b>29,278</b>	40,077

**c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows**

<b>Particulars</b>	<b>Unfunded pension plan</b>	Unfunded pension plan
	<b>31 March 2021</b>	31 March 2020
Balance of the present value of Defined benefit Obligation at the beginning period	<b>1,18,593</b>	93,894
Interest expenses	<b>1,776</b>	3,343
Current Service Cost	<b>27,037</b>	31,766
Past service Cost	<b>465</b>	
Present value of obligation as at the end of the period		
Benefits paid		(54,482)
Remeasurement gains and losses recognised in OCI	-	
Forex difference	<b>(2,501)</b>	44,072
	<b>1,45,370</b>	1,18,593

**d) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)**

Discount rate as at 31 March 2021 : 1.25% to 2.35% (PY: 2.6625%)

Salary growth rate : 4.0% (PY - 4%)

Attrition rate: 15%-30% (PY:15%-30%)

**e) Sensitivity analysis**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO). Sensitivity analysis is done by varying (increasing/ decreasing) one parameter at a time and studying its impact

<b>Change in assumption</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
<b>Discount rate</b>		
Increase by 1% to	<b>(12,202)</b>	(10,904)
Decrease by 1% to	<b>13,902</b>	12,507
<b>Salary increase rate</b>		
Increase by 1% to	<b>14,898</b>	12,092
Decrease by 1% to	<b>(13,271)</b>	(10,777)
<b>Withdrawal rate</b>		
Increase by 20% of base assumption	<b>(13,453)</b>	(10,911)
Decrease by 20% of base assumption	<b>17,934</b>	14,503

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**Note 34: Fair Value Measurements**

As per assessments made by the management fair values of all financial instruments carried at amortised costs are not materially different from their carrying amounts since they are either short term nature or the interest rates applicable are equal to the current market rate of interest.

Sr.No	Particulars	Carrying value	
		31 March 2021	31 March 2020
	<b>Levelled at Level 2 Financial asset</b>		
<b>a)</b>	<b>Carried at amortised cost</b>		
	Trade receivable	<b>1,97,76,310</b>	2,76,66,786
	Security deposits	<b>2,07,798</b>	1,78,249
	Other financial assets	<b>13,331</b>	34,397
	Cash and cash equivalent	<b>63,29,553</b>	1,04,47,089
	Other bank balances	-	1,59,911
		<b>2,63,26,993</b>	<b>3,84,86,433</b>
	<b>Levelled at Level 2 Financial Liabilities</b>		
<b>a)</b>	<b>Carried at fair value through Profit and loss (FVTPL)</b>		
	Forward contract liability	-	8,90,874
<b>b)</b>	<b>Carried at amortised cost</b>		
	Borrowings	<b>1,77,17,690</b>	3,15,88,082
	Trade payable	<b>2,11,75,792</b>	2,43,72,983
	Other current financial liabilities	<b>46,54,036</b>	47,56,934
	Financial guarantee contracts	<b>11,02,978</b>	9,85,689
	Lease liability	<b>30,92,836</b>	40,47,736
		<b>4,77,43,333</b>	<b>6,66,42,299</b>

**Note 35: Financial risk management policy and objectives**

Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance group's operations. Group's principal financial assets include trade and other receivables, security deposits and cash and cash equivalents, that derive directly from its operations.

In order to minimise any adverse effects on the financial performance of the group, it has taken various measures. This note explains the source of risk which the entity is exposed to and how the entity manages the risk and impact of the same in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Aging analysis, External credit rating (wherever available)	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities and guarantees given by ultimate holding company, 'Kirloskar Brothers Limited, India'
Market risk- Foreign Currency Risk	Recognised financial assets and liabilities not denominated in functional currency of respective subsidiary	Sensitivity Analysis	Management follows established risk management policies, including use of derivatives like foreign exchange forward contracts, where the economic conditions match the group's policy.
Market risk- Interest rate risk	Long-term borrowings at variable rates	Sensitivity Analysis	Balanced loan portfolio of fixed and variable rate of interest loan

The group's risk management is carried out by management, under policies approved by the board of directors. Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk, and investment of excess liquidity.

**(A) Credit Risk**

Credit risk in case of the Group arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

**Credit risk management**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the group periodically assesses the reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business,
- (ii) Actual or expected significant changes in the operating results of the counterparty,
- (iii) Financial or economic conditions that are expected to cause a significant change to counterparty's ability to meet its obligations,
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty,
- (v) Significant changes in the value of collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

The group provides for expected credit loss in case of trade receivables and security deposits when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. The group categorises a receivable for provision for doubtful debts/write off when a debtor fails to make contractual payments on case to case basis. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

**Provision for expected credit loss****Financial assets for which loss allowance is measured using Lifetime Expected Credit Losses (ECL)**

<b>Exposure to Risk</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Security Deposits	<b>2,07,798</b>	1,78,249
Less : Expected Loss	-	-
	<b>2,07,798</b>	1,78,249
Other financial asset	<b>13,331</b>	34,397
Less : Expected Loss	-	-
	<b>13,331</b>	34,397

**Trade receivables**

	<b>31 March 2021</b>	<b>31 March 2020</b>
<b>Trade Receivables</b>		
Neither past due nor impaired	<b>1,09,48,497</b>	1,41,28,576
Past due but not impaired		
Less than 180 days	<b>67,44,926</b>	1,00,50,341
181 - 365 days	<b>4,77,565</b>	28,09,396
More than 365 days	<b>16,05,322</b>	6,78,473
<b>Total</b>	<b>1,97,76,310</b>	2,76,66,786

**Reconciliation of loss provision**

	<b>Trade receivables</b>
Loss allowance as at 1 January 2019	8,92,198
Changes in loss allowance	2,76,479
Loss allowance as at 31 March 2020	11,68,676
Changes in loss allowance	<b>(3,60,949)</b>
<b>Loss allowance as at 31 March 2021</b>	<b>8,07,727</b>

**(B) Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, group maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is carried out in accordance with practice and limits set by the group. In addition, the group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

<b>Exposure to Risk</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
<b>Interest bearing borrowings</b>		
On demand	<b>1,17,91,076</b>	2,46,08,379
Less than 365 days	<b>1,89,683</b>	1,94,349
More than 365 days	<b>57,36,931</b>	67,85,356
<b>Total</b>	<b>1,77,17,690</b>	3,15,88,084
<b>Other financial liabilities</b>		
On demand		
Less than 365 days	<b>77,32,162</b>	91,04,596
More than 365 days	<b>11,17,689</b>	15,76,638
<b>Total</b>	<b>88,49,850</b>	1,06,81,234
<b>Trade payables</b>		
On demand		
Less than 365 days	<b>2,11,75,792</b>	2,43,72,983
More than 365 days		
<b>Total</b>	<b>2,11,75,792</b>	2,43,72,983





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**Note 35: Financial risk management policy and objectives (continued)**

**(C) Foreign Currency Risk**

The group is exposed to foreign exchange risk mainly through its sales to overseas customers and purchases from overseas suppliers in various foreign currencies.

The group evaluates exchange rate exposure arising from foreign currency transactions and the group follows established risk management policies, including use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk, where the economic conditions match the company's policy.

**Foreign currency exposure :**

Financial Assets	Currency	Amount in Foreign Currency		Amount in Euro	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade Receivables	GBP	1,31,072	3,21,732	1,53,824	3,62,953
	USD	87,52,579	1,12,65,815	74,64,886	1,02,82,781
	SGD	1,94,349	4,50,189	1,23,255	2,94,607
	AED	34,327	5,02,437	7,967	1,24,162
	MYR	-	1,05,502	-	22,162
	IDR	-	6,16,33,710	-	3,485
Bank Accounts	GBP	28,899	29,559	33,915	33,346
	USD	3,37,284	27,87,706	2,87,662	25,44,456
	SGD	3,922	43,309	2,487	28,342
	VND	1,22,54,442	95,79,842	474	370
	AED	8,950	4,95,943	2,077	1,22,557
	CZK	19,32,802	16,55,878	70,720	60,588
	IDR	10,75,28,667	-	6,314	-
Amount Due from Employees	SGD	-	-	-	-

Financial Liabilities	Currency	Amount in Foreign Currency		Amount in Euro	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade Payables	GBP	2,242	1,16,373	2,631	1,31,283
	USD	1,86,560	26,08,688	1,59,113	23,81,059
	SGD	23,081	7,150	14,638	4,679
	AED	69,020	-	16,020	-
	IDR	-	5,64,02,481	-	3,190

**Currency wise net exposure ( assets - liabilities )**

Particulars	Amount in Foreign Currency		Amount in Euro	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
GBP	1,57,729	2,34,918	1,85,108	2,65,016
USD	89,03,303	1,14,44,833	75,93,435	1,04,46,178
SGD	1,75,190	4,86,348	1,11,105	3,18,270
VND	1,22,54,442	95,79,842	474	370
CZK	19,32,802	16,55,878	70,720	60,588
AED	(25,743)	9,98,380	(5,975)	2,46,720
MYR	-	1,05,502	-	22,162
IDR	10,75,28,667	52,31,229	6,314	296

**Sensitivity Analysis**

Currency	Amount in Euro		Sensitivity %
	31 March 2021	31 March 2020	
GBP	1,85,108	2,65,016	0.20%
USD	75,93,435	1,04,46,178	3.34%
SGD	1,11,105	3,18,270	3.17%
VND	474	370	1.14%
CZK	70,720	60,588	5.89%
AED	(5,975)	2,46,720	1.92%
MYR	-	22,162	3.77%
IDR	6,314	296	9.70%
<b>Total</b>	<b>79,61,181</b>	<b>1,13,59,600</b>	

Currency	Impact on profit (strengthen)		Impact on profit (weakening)	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
GBP	(370)	(530)	370	530
USD	(2,53,621)	(3,48,902)	2,53,621	3,48,902
SGD	(3,524)	(10,094)	3,524	10,094
VND	(5)	(4)	5	4
CZK	(4,166)	(3,569)	4,166	3,569
AED	115	(4,737)	(115)	4,737
MYR	-	(836)	-	836
IDR	(612)	(29)	612	29

(EGP- Egyptian Pound, GBP - Great Britain Pound, EUR- Euro, SEK- Swedish Krona, USD - US Dollar, VND- Vietnamese Dong, SGD- Singapore Dollar, JPY - Japanese Yen, OMR - Omani Rial, AED-Arab emirates Dirham)

**Kirloskar Brothers International B.V.**  
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**Note 36 : Capital management**

**a) Risk Management**

The group's objectives when managing capital are to

'-safeguard it's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

'-Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

In case of financial difficulties, the ultimate holding company, provides financial support through infusion of additional equity and issuing corporate guarantees to banks for facilitating additional borrowing facilities.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio: Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The gearing ratios were as follows:

	<b>31 March 2021</b>	<b>31 March 2020</b>
Loans and borrowings	1,77,17,690	3,15,88,084
Less: Cash and cash equivalents and other bank balances	63,29,553	1,06,07,000
Net debt	1,13,88,137	2,09,81,084
Equity	1,99,69,178	1,16,47,579
Capital and net debt	3,13,57,315	3,26,28,663
Gearing ratio	36	64

**Note 37 : Others**

- a) Operations of all subsidiaries of KBIBV were affected due to lockdown announced by various governments across globe due to outbreak of Covid- 19.

Group has adopted work from home policy during the entire duration of lockdown and had taken several initiatives for cost reduction and optimization of the use of its financial resources which will help company break even and safeguard margins.

Group has taken various health and sanitation measure for starting it's operation with utmost safety and efficiently. Group is mainly in the business of manufacture and sale of pumps and valves required to handle essential commodities like water, oil & gas etc. serving various segments of the customers. Management has been constantly reviewing changes in demand from each of these segments and its overall impact on company's business and suitably responding to the situation.

As various government has started easing lockdown, management expects to gradually come back to its original level of operations, in the coming months.

- b) Previous years figures have be regrouped, wherever necessary.

**As per our report of even date attached**

**For P G BHAGWAT LLP**

Chartered Accountants

Firm's registration no. 101118W/W100682

**For and on behalf of the Board of Directors**

**Sanjay Kirloskar**

Chairman

DIN : 00007885

Pune : 19 May 2021

**Alok Kirloskar**

Managing Director

DIN : 05324745

Pune : 19 May 2021

**Abhijeet Bhagwat**

Partner

Membership no. 136835

Pune : 19 May 2021

**C.M. Mate**

Group CFO

Pune : 19 May 2021