

Corporate Disclosure Policy

Preamble:

In order to ensure timely and adequate disclosure of price sensitive information, the following procedure shall be followed by the Company:-

1. Disclosure of events or information:

The Company shall make a disclosure of any events or information which, in the opinion of the Board of Directors is material;

- A)** All events specified in Para A of Part A of Schedule III under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015), which are annexed to this policy as Annexure I;

The disclosures as mentioned in Clause A above, shall first be disclosed to Stock Exchanges as soon as the occurrence of the events but not later than 24 hours. Such disclosures shall also be posted on the Company's website.

And

- B)** The Company shall make disclosure of events specified in Para B of Part A of Schedule III of Listing Regulations, 2015, which are annexed to this policy as Annexure II; in case these events are material.

Determination of Material Event:

Materiality has to be determined on a case to case basis depending on the specific facts and circumstances relating to the event/ information. A particular event/information would be considered as material in nature if it satisfies either of the criteria below:

- Quantitative criteria calculated based on audited financial statements of the last audited financial year, would mean event/ information where the value involved or the impact:
 - exceeds 20 per cent of the gross turnover or revenue or total income, or
 - exceeds 20 per cent of the net worth, whichever is lower.
- Qualitative criteria would mean an event/ information:
 - the omission of which is likely to result in a discontinuity or alteration of event or information already available publicly, or
 - the omission of which is likely to result in significant market reaction, if the said omission came to light at a later date, or

- which in the opinion of the Board of Directors is considered to be material i.e. is significant to the operations or performance of the Company.

If particular information or event in question satisfies any of the 'qualitative' or 'quantitative' criteria, the Company would be under an obligation to disclose the same to the stock exchanges.

- C)** Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.
- D)** Without prejudice to the generality of para (A), (B) and (C) above, the listed entity may make disclosures of event/information as specified by the Board from time to time.

2. Overseeing and co-coordinating disclosure :

- a.** The Compliance Officer i.e. Company Secretary shall be responsible for ensuring that the Company complies with continuous disclosure requirements. Oversee and co-ordinate disclosure of price sensitive information to Stock Exchanges, analysts, shareholders and media and educating staff on disclosure policies and procedure.
- b.** Information disclosure / dissemination shall be approved in advance by The Company Secretary/ Compliance Officer of the Company.
- c.** If information is accidentally disclosed without prior approval, the person responsible may inform the Company Secretary/ Compliance Officer immediately, even if the information is not considered price sensitive.

3. Procedure for disclosure/dissemination of price sensitive information with special reference to Analysts, Institutional Investors :

While dealing with analysts, Institutional Investors, the responsible officers should follow following guidelines:

a. Only Public information to be provided :

Only public information to be provided to such analysts, research persons, large investors like Institutional Investors. Alternatively, the information given to the analyst should be simultaneously made public at the earliest.

b. Recording of discussion :

In order to avoid misquoting or misrepresentation, it is desirable that at least two Company representatives are present at meetings with analysts, brokers or Institutional Investors and discussion should preferably be recorded.

c. Handling of unanticipated question :

The responsible officers of the Company should be careful when dealing with analysts questions that raise issue outside the intended scope of discussion. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes price sensitive information, a public announcement should be made before responding.

d. Simultaneous release of Information :

When a Company organises meetings with analysts, the Company shall make a press release or post relevant information on its website prior every such meet. The Company may also consider live webcasting of analysts meets.

4. Procedure for responding to any queries or requests for verification of market rumors by exchanges :

The Company Secretary/Compliance Officers shall be responsible for deciding whether a public announcement is necessary for verifying or denying rumors / report appearing in newspaper or otherwise and then decide about making the appropriate disclosures.

A copy of such disclosure/replies shall also be sent to stock exchanges where shares of the Company are listed.

The Company Secretary/Compliance Officers shall provide specific and adequate reply to all queries raised by Stock Exchanges with respect to any event or information. This will include the confirmation or denial of any reported event or information to the Stock Exchanges

5. Timely Reporting of shareholdings / ownership and changes in ownership :

Disclosures of shareholdings / ownership by major shareholders and disclosures of changes in ownership as provided under any Regulations made under the Act and the listing regulations shall be made in a timely and adequate manner.

6. Medium of disclosure / dissemination :

The Company Secretary/ Compliance officer shall ensure that following information shall be continuously disclosed on the website of the Company:

- a. Details of Company's business,
- b. Financial information such as Unaudited Quarterly and Audited Annual Financial Results, Quarterly Shareholding Pattern, Annual Reports for last 3 years,
- c. Compliance with corporate governance,

- d. Contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances,
- e. Presentations made to analysts,
- f. Details of agreements entered into with the media companies and/or their associates, etc.,
- g. Code of conduct for all board members and senior management of the Company.

The Board has adopted this policy and reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

For Kirloskar Brothers Limited

Sanjay C. Kirloskar

Chairman and Managing Director

Pune:

Annexure I

A) Events which shall be disclosed without any application of the guidelines for materiality as specified in Clause 1 of this policy:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.
Explanation.- For the purpose of this sub-para, the word 'acquisition' shall mean,
 - (i)acquiring control, whether directly or indirectly; or,
 - (ii)acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - (a)the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - (b)there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The listed entity shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b) any cancellation of dividend with reasons thereof;
 - c) the decision on buyback of securities;
 - d) the decision with respect to fund raising proposed to be undertaken
 - e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - g) short particulars of any other alterations of capital, including calls;
 - h) financial results;
 - i) decision on voluntary delisting by the listed entity from stock exchange(s).

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
6. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer , Company Secretary etc.), Auditor and Compliance Officer.
8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One time settlement with a bank.
11. Reference to BIFR and winding-up petition filed by any party / creditors.
12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
13. Proceedings of Annual and extraordinary general meetings of the listed entity.
14. Amendments to memorandum and articles of association of listed entity, in brief.
15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

Annexure II

B) Events which shall be disclosed upon application of the guidelines for materiality referred to under Clause 1 of this Policy;

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
3. Capacity addition or product launch. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
4. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
5. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
6. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
7. Litigation(s) / dispute(s) / regulatory action(s) with impact.
8. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
9. Options to purchase securities including any ESOP/ESPS Scheme.
10. Giving of guarantees or indemnity or becoming a surety for any third party.
11. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.