



BOARD'S REPORT

TO THE MEMBERS

Your Directors present the 104th Board Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the reports of the Auditors thereon.

FINANCIAL RESULTS

The financial results of the Company for the Financial Year 2023-24 as compared with the previous Financial Year are as under:

	(₹ in Million)	
	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	27,201	25,399
Other income	359	330
Total	27,560	25,729
Profit before tax	3,225	2,073
Tax expense	791	547
Profit for the period	2,434	1,526
Other comprehensive income	(72)	(25)
Surplus in Profit & Loss Account brought forward from previous year	6,152	4,889
Dividend	(357)	(238)
Available surplus	8,157	6,152

DIVIDEND

The Board of Directors have recommended a Dividend of ₹ 6/- per equity share i.e. @ 300% of face value of ₹ 2/- each, for the Financial Year 2023-24 (₹ 4.50/- per equity share as Dividend for the Financial Year 2022-23) as per the Dividend Distribution Policy.

The total outflow towards dividend recommended for the Financial Year 2023-24 will be ₹ 476.45 Million as against ₹ 357.34 Million for the previous financial year.

Your Company has formulated a policy for Dividend Distribution which is disclosed on the website of the Company and can be accessed at <https://www.kirloskarpumps.com/wp-content/uploads/2021/09/Dividend-Distribution-Policy-2021.pdf>

OPERATIONS OF THE COMPANY

The revenue from operations for the year under review is ₹ 27,201 Million, which represents an increase of 7% as compared to the previous financial year.

The Financial Year 2023-24 witnessed a significant revival of the economy, facilitating the successful operation of all the Company plants throughout the year. This, in turn, allowed the Company to provide its customers with the best possible products and services.

The Company experienced substantial growth in various industry sectors, including building & construction, water, irrigation, power, chemical, pharma, steel, oil & gas, sugar and retail business. This growth was driven by a focus on value-added and sustainable products such as Lowest Life-cycle Cost (LLCTM) pumps, pressure boosting systems, dewatering pumps, micro-hydropower generator-PICO, process pumps and Autoprime pump sets. The Company's signature IoT-based remote pump monitoring system – KirloSmartTM also continued to gain acceptance, further contributing to the Company's success.

In the dynamic realm of water pumping technology, the Company has introduced the latest iteration of its renowned Lifter pumps series, meticulously crafted for shallow wells. This new advancement boasts of an extraordinary discharge rate that is 260% higher than our closest competitors, solidifying the Company's commitment to excellence in water solutions. The mini-series pump selection is further enhanced by the addition of the Aqua Torrent 10 FCL, as well as the Jalhasti and Jaltara 1 HP pumps and borewell oil-filled submersible pump (KU6i) to consolidate its position in the agricultural and residential segments. For the industrial segment, the Company has launched the vertical inline short-coupled pump set, the KW-SC, and an enhanced version of the DBxe SS pump.

As Kirloskarvadi steps into its 114th year, it faces new challenges and opportunities. The industrial landscape is rapidly evolving, with Industry 4.0 ushering in automation and digitalisation. The Company is adapting to these changes by embracing new technologies and investing in research and development and the manufacturing process. All the plants had record number of sales with highest number of despatches. The Total Productive Maintenance (TPM) journey has been a resounding success. The formation of cross-functional teams dedicated to enhancing equipment performance, employed a systematic approach to identify and eliminate losses that hinders equipment effectiveness.

The Company is proud to be associated with national projects of significance. We have contributed to the Shri Ram Mandir, Ayodhya by supplying over 100 pumps for firefighting and water supply to Millions of devotees. Additionally, our pumps have been used for fire protection systems in the New Parliament House and the Surat Diamond Bourse. The Company's contribution extends to public transportation infrastructure, having supplied pumps to the recently inaugurated Kolkata and Agra Metro projects. Our HVAC pumps also ensure cooling comfort to visitors of Yashobhoomi Convention Centre and Bharat Mandapam in Delhi. Recognising the critical role of nuclear energy in the future, the Company has supplied moderator coolant pumps to the Kakrapar Nuclear

Power Plant in Gujarat, and circulating Water Metallic Volute pumps to Rajasthan Atomic Power Plant, underscoring our commitment to supporting India's infrastructure development across various sectors.

The Company's international businesses delivered a strong performance despite the challenges posed by the increasing inflation and the global supply chain issues. The Company has signed a Memorandum of Understanding with the Ministry of Lands, Agriculture, Fisheries, Water & Rural Development of Zimbabwe. This strategic partnership aims to accelerate irrigation development across the country, contributing to increased agricultural productivity and food security. Our group company, SPP Pumps Ltd. has become the first company in the world to offer a Factory Mutual (FM) approved Multi-stage Multi-outlet pump set. This pump is specifically designed to provide reliable, efficient, and cost-effective fire protection for high-rise buildings.

The Company has strengthened the capabilities of its channel partners for faster product delivery and service. To serve better and reduce timelines of product deliveries, the Company has opened Authorised Pump set Original Equipment Manufacturer plants across the country.

Furthermore, through its Vikas Charitable Trust (VCT), the Company actively engaged in various CSR initiatives, reflecting its commitment to giving back to the Community.

AWARDS AND RECOGNITION

The Company has garnered numerous awards and recognitions that reaffirm its dedication to innovation and excellence. Among these, the notable patents that have been awarded for its pioneering contributions to technology, include:

- The PICO turbine: a groundbreaking system in hydropower generation.
- The innovative design of two key components in its mini pump: the delivery casing and the mounting casing volute.
- An innovative shaft sealing mechanism in the triple offset valves.

Our Sanand factory has been the recipient of several prestigious awards, highlighting its manufacturing prowess and innovative practices. It was awarded the Silver medal for the assessment year 2023 in the National Awards for Manufacturing Competitiveness (NAMC), conducted by the International Research Institute for Manufacturing. The factory received the 'Par Excellence Award' for its 5S Kaizen Case Study Presentation at the 9th National Conclave on 5S, organised by the Quality Circle Forum of India Ahmedabad Chapter. It was named 'Winner - Excellence in Engineering & Design' as well as the 'Winner - Excellence in Innovation' in the large category at the Manufacturing Today Conference & Awards 2023.

Meanwhile, our Kaniyur plant has distinguished itself in various categories. It received one Gold and one Silver award at the National Convention on Quality Concepts Nagpur chapter. It was awarded a Silver award in the NAMC audit. The plant earned one Gold award for a quality case study conducted by the Coimbatore Productivity Council. Additionally, it won two Silver awards for the best productivity improvement project conducted by the Coimbatore Productivity Council.

Furthermore, SPP Pumps, our group company, won the esteemed Manufacturer of the Year Award in Great Britain for the second year in a row. Ben Warren winning the Rising Star Award was another feather in their cap. Both these achievements speak volumes about SPP Pump's relentless pursuit of excellence.

Collectively, these achievements not only reflect the Company's innovative edge and competitive spirit but also its role as a leader in the global pump manufacturing industry.

There were no material changes or commitments to report that affected the Company's financial position that occurred between the end of the Financial Year and the date of this report.

TRANSFER TO RESERVE

The Board has decided to retain the entire amount of profit for the Financial Year 2023-24 and not to transfer any amount to general reserve.

STATUTORY DISCLOSURES

1. SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2024 was ₹ 158.82 Million comprising of 79,408,926 equity shares of ₹ 2/- each. The Company does not have any shares with differential voting rights or sweat equity.

2. ANNUAL RETURN

As per provisions of Section 92(3) read with Section 134 of the Companies Act, 2013 ('the Act'), the Annual Return of the Company is placed on the website of the Company at <https://www.kirloskarpumps.com/investors/shareholders-meetings/>

3. NUMBER OF MEETINGS OF THE BOARD

During the Financial Year under review, 6 Board meetings were held, the details of which are appearing in the Report on Corporate Governance.

4. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Act, the Board of Directors to the best of its knowledge and ability confirm that:

- in preparation of the annual accounts, the applicable accounting standards have been followed.
- they have selected such accounting policies and applied them consistently and made judgments



and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period.

- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) they have prepared the annual accounts on a going concern basis.
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

5. INDEPENDENT DIRECTORS' DECLARATION

All Independent Directors of the Company have given declaration under Section 149(7) of the Act, that they meet the criteria laid down in Section 149(6) of the Act.

6. DISCLOSURE REQUIRED UNDER SECTION 134(3)(e)

The Board has adopted a Board Diversity Policy which sets the criterion for appointment as well as continuance of Directors, at the time of re-appointment of director in the Company. As per the policy, the Board has an optimum combination of members with appropriate balance of skill, experience, background, gender and other qualities as required by the directors for the effective functioning of the Board.

The Nomination and Remuneration Committee recommends remuneration of the Directors, subject to overall limits set under the Act, as outlined in the Remuneration Policy. As per the policy, the Executive Directors are entitled to a fixed salary, commission based on performance evaluation and other non-monetary benefits. In case of Non-Executive Directors, apart from receiving sitting fees, they are entitled to commission on the basis of criterion as per the policy.

The Remuneration Policy is available on the website of the Company at <https://www.kirloskarpumps.com/wp-content/uploads/2023/01/Remuneration-Policy.pdf>. The salient features of this policy are as follows:

- **Philosophy:** The Company strongly believes that the system of Corporate Governance protects the interest of all stakeholders by inculcating transparent business operations and accountability from management towards fulfilling the consistently
- high standards of Corporate Governance in all facets of the Company's operations.
- **Objective:** Transparent process of determining remuneration at the Board and Senior Management level and appropriate balance between the elements comprising the remuneration.
- **Coverage:** The policy covers remuneration to Executive, Non-Executive Directors, Key Managerial Personnel and Senior Managerial Personnel.

7. REPORT OF AUDITORS

During the Financial Year under review, there are no qualifications, adverse remarks, or disclaimers made by the Statutory Auditors on the financial statements of the Company and by the Secretarial Auditor in his Secretarial Audit Report, which is annexed herewith as **Annexure V**. There are no cases of fraud detected and reported by the Auditor under Section 143(12) during the Financial Year.

M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W) have been appointed as Statutory Auditors of the Company for the second term of 5 consecutive years by the shareholders with effect from the conclusion of 102nd Annual General Meeting till the conclusion of 107th Annual General Meeting.

Mr. Shyamprasad Limaye (CP No. 572), Practicing Company Secretary was the Secretarial Auditor of the Company as per Section 204 of the Act, for the Financial Year 2023-24. M/s. Dinesh Birla & Associates (CP No. 13029), Practicing Company Secretary have been appointed as Secretarial Auditors of the Company for the Financial Year 2024-25.

M/s. Parkhi Limaye & Co. (Firm Registration No. 000191) was the Cost Auditor of the Company for the Financial Year 2023-24. M/s. Harshad S. Deshpande & Associates, (Firm Registration No. 00378) have been appointed as the Cost Auditors, as per Section 148 of the Act, read with applicable rules made thereunder, for the Financial Year 2024-25. Their remuneration is subject to the approval by the Members at the ensuing Annual General Meeting.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of loans, guarantees or investments under Section 186 of the Act, are available under Note no. 5, 7, 35E and 36 of notes to accounts, attached to the Standalone Financial Statements.

The full particulars are available in the Register maintained under Section 186 of the Act, which is available for inspection during business hours on all working days (except Saturday and Sunday).

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the Financial Year 2023-24 with the related parties were in the ordinary course of business and at arm's length basis. There were no transactions required to be disclosed in Form AOC-2 (**Annexure IV**). During the Financial Year, the Company has not entered into contracts / arrangements / transactions with the related parties which could be considered material in accordance with the Company's 'Policy on Related Party Transactions'. The said policy is available on the website of the Company.

Further, attention is drawn to Note no. 35 of the Standalone Financial Statements of the Company for details of related party transactions.

10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of energy conservation, technology absorption, research and development and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act, read with the applicable rules, are given as an **Annexure I** to this Report.

11. RISK MANAGEMENT

The Risk Management Committee of the Company meets at regular intervals and identifies the top risks and prioritises those risks. Particulars of the Committee and salient features of the Risk Management Policy of the Company, are given in the Report on Corporate Governance. The Risk Management Policy, inter alia, includes identification of major risks and also those risks which in the opinion of the Board may threaten the existence of the Company.

12. CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

The Company has a CSR Policy as per the requirements of the Act and the same is available on the website of the Company.

The key drivers of this policy are as follows:

- The Company believes that serving society is a primary purpose.
- Perceivable improvement in attitude, culture and values amongst employees and community.
- Conservation of natural resources and commitment to Green Environment.
- Developing business processes which are environmentally and socially sustainable.

The details of CSR Policy of the Company and the status of implementation of CSR initiatives are covered in the

Corporate Social Responsibility Report in the required format, annexed as **Annexure II** to this report.

13. BOARD EVALUATION

The Board has formulated a Board Evaluation Policy for evaluation of individual Directors as well as the entire Board and Committees thereof. The evaluation framework is divided into parameters based on various performance criteria. The evaluation process for the Financial Year ended on March 31, 2024 has been carried out.

As a part of the evaluation process, the Directors submitted their feedback regarding the evaluation of the Board and its Committees and other individual Directors of the Company for the Financial Year 2023-24, through an online platform. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman and the Managing Director was also carried out by the Independent Directors, taking into account the views of the Executive and Non-Executive Directors. The performance evaluation of the Joint Managing Director of the Company was carried out by the Independent Directors. The results of the said evaluation were shared with the Board, Chairman of the respective Committees and individual directors. The results showed high level of commitment and engagement of the Board and its various committees.

In compliance with the requirements under Schedule IV of the Act, read with Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations, 2015'), a meeting of Independent Directors was held on March 29, 2024 primarily to discuss the matters mentioned under the said Schedule.

14. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES

Following are the highlights of performance of subsidiaries, associate and joint venture companies and their contribution to the overall performance of the Company during the period under review.

i. Karad Projects and Motors Limited

The revenue for the year under review is ₹ 5,065 Million which is 1.70% less as compared to the previous year. This constitutes 12.66% of consolidated revenue of your Company.

ii. The Kolhapur Steel Limited

The revenue for the year under review is ₹ 534 Million which is 17.20% more as compared to the previous year. This constitutes 1.33% of consolidated revenue of your Company.



iii. Kirloskar Corrocoat Private Limited

The revenue for the year under review is ₹ 405 Million which is 14.90% more as compared to the previous year. This constitutes 1% of consolidated revenue of your Company.

iv. Kirloskar Brothers International B.V. (consolidated)

The revenue for the year under review is ₹ 12,577 Million which is 6.80% more as compared to the previous year. This constitutes 31.43% of consolidated revenue of your Company.

v. Kirloskar Ebara Pumps Limited (Joint Venture)

The revenue for the year under review is ₹ 3,013 Million which is 30.44% more as compared to the previous year.

The financial position of the subsidiaries and joint venture companies is given in AOC-1, in this Integrated Annual Report.

15. OTHER STATUTORY DISCLOSURES AS REQUIRED UNDER RULE 8(5) OF THE COMPANIES (ACCOUNTS) RULES, 2014

- (i) Financial summary/highlights are included elsewhere in the Report.
- (ii) There was no change in the nature of business during the year under review.
- (iii) Details of Directors are given in the Report of Corporate Governance, forming part of this Integrated Annual Report.
 - Ms. Rama Kirloskar (DIN 07474724) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.
 - Mr. Amitava Mukherjee (DIN 00003285) ceased to be Director with effect from July 03, 2023, due to his demise.
 - Mr. Vinayak Deshpande (DIN 00036827) was appointed as an Additional Director and Independent Director with effect from August 02, 2023. The Shareholders vide resolution passed through Postal Ballot on September 10, 2023, have approved his appointment as Independent Director of the Company with effect from August 02, 2023 for a term of 5 years upto August 01, 2028. The Board is of the opinion that Mr. Vinayak Deshpande possesses requisite qualifications, experience, expertise and proficiency.
 - During the year under review, there was no change in the Key Managerial Personnel (KMP) of the Company.

Mr. Sanjay Kirloskar - Chairman and Managing Director, Mr. Chittaranjan Mate - Chief Financial Officer (CFO) and Mr. Devang Trivedi - Company Secretary, are the KMP of the Company during the year under review.

Mr. Ravish Mittal has been appointed as CFO and KMP with effect from May 15, 2024 in place of Mr. Chittaranjan Mate, who resigned as CFO and KMP with effect from May 14, 2024.

- (iv) KBL Synerge LLP ceases to be an associate of the Company consequent upon its striking off by the Registrar of Companies, Pune on July 03, 2023. During the year under review, the Company has acquired the remaining equity shares of TKSL. Resultantly, TKSL has become a wholly owned subsidiary of the Company. Apart from this, no company has become or ceased to be a subsidiary, joint venture or associate company of the Company.

Material Subsidiaries

Regulation 16 of the SEBI Listing Regulations 2015 defines a 'material subsidiary' to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Under this definition, Karad Projects & Motors Limited, Karad, Maharashtra ('KPML'), incorporated on 2nd April 2001, an Unlisted Indian Subsidiary and SPP Pumps Limited ('SPP'), UK, incorporated on 21st July, 2003, an Unlisted Foreign Subsidiary, are material subsidiaries of the Company.

The subsidiaries of the Company function independently, under the supervision and control of the Board of Directors of respective companies. The minutes of Board Meetings of subsidiaries of the Company are placed before the Board of Directors of the Company for their review, at every quarterly Meeting.

In addition to the above, Regulation 24 of the SEBI Listing Regulations, 2015 requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For this provision, material subsidiary means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. However, there is no such Subsidiary which falls under this definition of unlisted material subsidiary for the financial year ended March 31, 2024.

M/s. Sharp & Tannan Associates, Chartered Accountants, Pune, are the statutory auditors of KPML. Saffery Champness, Chartered Accountants, UK, are the statutory auditors of SPP.

The other requirements as prescribed under Regulation 24 of the SEBI Listing Regulations, 2015 for Subsidiary Companies have been complied with.

Secretarial Audit of Material Unlisted Indian Subsidiary

KPML, a material subsidiary of the Company carried out Secretarial Audit for the Financial Year 2023-24 pursuant to Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations, 2015. The Secretarial Audit Report of KPML submitted by Mr. Yogesh Kandalgaonkar, Practicing Company Secretary is attached as **Annexure VI** to this Report and it does not contain any qualification, reservation or adverse remark or disclaimer.

(v) Details relating to Deposits:

The Company has neither accepted nor renewed matured deposits since January 2003 and there were no deposits accepted by the Company as covered under Chapter V of the Act read with Rules made thereunder.

(vi) The details of Deposit which are not in compliance with the requirement of the Chapter V of the Act – NA.

(vii) No significant and material orders were passed by the regulators or court or tribunals impacting the going concern status and Company's operations in future.

(viii) Details in respect of adequacy of internal financial controls with reference to the financial statements:

The Company has adequate internal financial control systems in place. The control systems are regularly reviewed by the external auditors and their reports are presented to the Audit Committee.

The Company has an Internal Audit Charter specifying mission, scope of work, independence, accountability, responsibility and authority of Internal Audit Department. The internal audit reports are placed before the Audit Committee meeting along with management response.

(ix) Your Company is required to maintain the cost records as required under Section 148(1) of the Act and accordingly, such accounts and records are maintained by the Company for the Financial Year ended on March 31, 2024.

(x) The details of application made or any proceedings pending under the Insolvency and Bankruptcy

Code, 2016 (31 of 2016) during the year along with their status as at the end of the Financial Year – Nil.

(xi) The details of the difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reason thereof - Nil.

(xii) Other disclosures required under the Companies Act, 2013 as may be applicable:

- Composition of the Audit Committee has been disclosed in Corporate Governance Report. All the recommendations of the Audit Committee were accepted by the Board.
- Establishment of Vigil Mechanism: The Company has already in place a 'Whistle Blower Policy' as a Vigil Mechanism since 2008. During the year, the Policy was amended, the details of which are reported in Corporate Governance Report.
- Disclosure as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure III**. Details of employees pursuant to Rule 5(2) of the said rules, will be provided on request by the Company Secretary.

(xiii) Other Disclosure:

- The Company has filed a suit against Kirloskar Proprietary Limited (KPL) relating to the use, assignment and ownership of the trademark "Kirloskar". The Company has made appropriate pleadings in the said Suit as advised by the Legal Advisors of KBL and has inter-alia, challenged the unlawful termination and sought declaration, injunction and other appropriate relief/s. KPL subsequently has withdrawn the termination letters with effect from March 3, 2020.
- The Company has, without prejudice to its rights and contentions, including those in the pending proceedings, in compliance with the directions of the Order dated 05.12.2023 of the Hon'ble Commercial Court, Pune, deposited the claimed Royalty amount with the Court from October 2018 onwards until 3rd quarter of FY 2023-24. Pending dispute, the Hon'ble Commercial Court, has directed its treasury to invest the said deposited royalty amount in a Nationalised bank for a fixed term of three years.



- In terms of the requirement under Regulation 30A(2) of the SEBI Listing Regulations, 2015, the details of the said agreements, are given below:

Sl. No.	Nature of Agreement and parties to the same	Salient Features of the Agreement	Web link to full Agreement
1.	Deed of Family Settlement (DFS) dated 11 th September, 2009 and the Amendment Agreement to DFS dated 12 th October, 2009 entered between promoter shareholders of the Company.	<p>The DFS was entered into between certain members of the Kirloskar Family viz. Mr. Atul Kirloskar, Mr. Vikram Kirloskar [now deceased], Mr. Rahul Kirloskar, Mr. Gautam Kulkarni [now deceased] and Mr. Sanjay Kirloskar, on behalf of themselves & their respective nuclear families so that 'the ownership, control and management by each branch of the Kirloskar Family gets clearly defined for smooth functioning of the business and further to preserve peace, harmony, goodwill, prestige and properties of the family, and to avoid unpleasant happenings such as court litigations etc.</p> <p>Significant terms of DFS can be referred in Recital B, D, E of the DFS and clause 1, 2, 8,12,15 & 16.</p> <p>The said DFS can be accessed at the given web link.</p>	https://www.kirloskarpumps.com/investors/regulation-30a-disclosures/
2.	Renouncing Agreement entered into between the Company and Kirloskar Oil Engines Limited, a member of the promoter group of the Company, dated 20 th October, 1947.	<p>The agreement was entered into for the sale of Kirloskar Brothers Limited's business of manufacturing and/or producing oil engines and imposing certain restrictions on both Kirloskar Brothers Limited and Kirloskar Oil Engines Limited.</p> <p>The significant terms of this agreement, including those imposing restrictions on both the companies are in Clauses 2, 4, 5 & 6 of the said agreement.</p> <p>The said agreement can be accessed at the given web link.</p>	
3.	Shareholders' Agreement (SHA) entered into between the Company, Better Value Holdings Private Limited, Corrocoat Limited, UK and Kirloskar Corrocoat Private Limited (Joint Venture Company) dated 8 th April, 2006	<p>SHA was entered into between the parties to record the agreement to regulate their future relationship as shareholders of and joint venture partners in the Joint Venture Company.</p> <p>The significant terms of SHA, including those imposing restrictions on the Company are in Clauses 7.9, 9.1, 17.1, 18 and 29 of the SHA.</p> <p>The said SHA can be accessed at the given web link.</p>	https://www.kirloskarpumps.com/wp-content/uploads/2023/08/KCPL_JVDisclosure.pdf
4.	Joint Venture Agreement (JVA) entered into between the Company and Ebara Corporation (a corporation duly organised and existing under the laws of Japan), dated 27 th January, 1988	<p>JVA was entered between the parties to establish a limited joint venture to be operated under and by virtue of the laws of the Republic of India in order to promote, manufacture and sell industrial process pumps and/ or such other products.</p> <p>The significant terms of JVA, including those imposing restrictions on the Company are in Clause 18.02 of the JVA.</p> <p>The said JVA can be accessed at the given web link.</p>	https://www.kirloskarpumps.com/wp-content/uploads/2023/08/KEPL_JVDisclosure.pdf

16. CASH FLOW

Cash flow statement for the Financial Year ended on March 31, 2024 forms part of the Financial Statements attached to this report.

17. SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating efficiently.

SAFETY, HEALTH AND ENVIRONMENT

Safety and Health

- Reporting of Safety opportunities shows the safety maturity of the plant. Employees of Safety matured industries, report all safety opportunities to eliminate the chances of accidents. The Company's employees have been reporting safety opportunities in order to make the Company a safer place to work.
- Reporting of safety opportunities merely will not eliminate workplace hazards, but compliance of relevant corrective and preventive actions are required.

The Company has complied with more than 90% corrective and preventive actions.

- The Company has developed internal audit process, and all safety officers are trained to carry out safety audit. A semi quantitative methodology is developed for the safety audit with reference to IS14489. All manufacturing plants of the Company are audited by cross plant safety auditors.
- To improve safety awareness, safety training is one of the important tool which also improves the skill and knowledge of safety. The Company has provided more than 4 man hours safety training to the employees, which has surpassed the target of 3.5 man hours per employee.
- The Company has introduced the Suraksha Mitra (Safety Stewards) concept. Selected employees from workmen and staff are nominated as Suraksha Mitra. A specialized training is provided to them. These Suraksha Mitra work as extended hand to Safety officers.
- Behavioural Based Safety (BBS) is one of the modern time tool to change the mind set of employees leading towards safer culture. BBS systems helps the company to improve its safety culture. The Company's employees have given tremendous response to this system and carried out more than 6500 safety BBS checks this year which are almost 10% more than the previous year.
- Small injuries are the indication of safety performance. Control over small injuries leads to less chance of any big injury. There is 15% reduction in first aid injuries in year 2023-24 as compared to year 2022-23.

Environment and Energy

The Company's values are the pillars that hold its beliefs and help it to fulfil its Purpose, Vision and Mission. "Commitment towards the Environment" is one of the Company's values that guide its actions towards the path of green future. Under sustainability drive, the Company focuses upon continual improvement of the environment and energy performance through short-term and long-term goals.

The Company has been evaluating scope 1 & 2 GHG emissions since long, however from FY 2023-24, it has also started evaluation of scope 3 GHG emissions. This will help in identifying areas of improvement for prioritising the actions. This is a significant step towards finalising the Company's Net Zero roadmap in line with India's commitment of being Net Zero by 2070.

The Company has continued its focus towards other green aspects like enhancing biodiversity, recycling of resources, water conservation, waste disposal, green procurement and developing green / energy efficient products to name a few. The four manufacturing plants viz. Kirloskarvadi, Sanand, Dewas and Kaniyur, are now GreenCo Certified that validates the efforts towards green manufacturing. The Company has

also obtained Green Product Certification for few of its products, which will set a benchmark for manufacturing industry.

The Company has achieved around 22% of its energy consumption through renewable sources like wind and solar power. The Company has initiated actions to enhance this share up to 70% within next two years. Apart from improving the clean energy contribution, it will help in reducing energy cost as well as related scope 2 GHG emissions.

All the manufacturing plants of the Company are ISO-50001 Certified for Energy Management Systems. Apart from this, the Company continues energy saving drive through ENCON (Energy Conservation) competition across the group. This initiative improves awareness of employees, motivates them to suggest ideas towards energy saving and facilitates sharing of good practices followed by other group companies. The Company encourages its employees to contribute in ENCON journey by appreciating and rewarding their efforts. Further, the Company is also working to improve energy performance through few other initiatives like conducting energy audits and implementing digital energy monitoring systems.

The Company is committed to contribute towards a clean and energy efficient world while preserving green aspects of the planet through its actions.

REPORTS ON MANAGEMENT DISCUSSION AND ANALYSIS, CORPORATE GOVERNANCE

Pursuant to the SEBI Listing Regulations, 2015, Management Discussion and Analysis Report, Report on Corporate Governance, Auditor's Certificate on Corporate Governance, Certificate pursuant to Schedule V read with Regulation 34 (3) and the declaration by the Chairman and Managing Director regarding affirmations for compliance with the Company's Code of Conduct are annexed to this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Your Company has been reporting its sustainability performance for the past 14 years. Further, the Company started presenting Integrated Annual Report since 2018-19. The Annual Report for the Financial Year 2023-24 is the 6th Integrated Annual Report of the Company. Pursuant to the provisions of Regulation 34(2)(f) of the SEBI Listing Regulations, 2015, the Business Responsibility and Sustainability Report for the Financial Year 2023-24 is annexed to this report.

DISCLOSURE UNDER THE "SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013"

Your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and in terms of Section



22 of this Act, read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013. We report that for the Financial Year ended on March 31, 2024:

1	No. of complaints received in the year	Nil
2	No. of complaints disposed-off in the year	NA
3	Cases pending for more than 90 days	NA
4	No. of workshops and awareness programmes conducted in the year	1
5	Nature of action by employer or District Officer, if any	NA

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the support and co-operation given by the banks and financial institutions. Your Directors would also like to record their appreciation for the persistent efforts by the employees of the Company and wish to express their gratitude to the Members for their continued trust and support.

For and on behalf of the Board of Directors,

Sanjay C. Kirloskar

Chairman & Managing Director
DIN 00007885

Pune: May 14, 2024

Annexure I

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A) CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy

- Existing reciprocating compressors are replaced with screw compressors resulting in saving of 3,99,024 kWh/year.
- Spindle DC analog drive of various CNC machines converted into digital system resulting into savings of 63,015 kWh/year.
- Modification of contactor logic conducted in Moranda VTL to 2.0 PLC Logic with Motor VFD saving 67,588 kWh/year.
- 8 HP hydraulic motor replaced in Pensotti machine with new energy efficient 1 HP hydraulic motor saving 33,906 kWh/year.
- Coke charged Cupola furnace replaced with Induction furnace resulting in saving of 82,484 kWh/year.
- As an outcome of Life Cycle Analysis study, existing foundry line technology is upgraded to "High Pressure Moulding Line" (HPML) technology which has helped plant to reduce carbon emission by around 2-9% for major impact categories, yielded 15% improvement in Specific Energy Consumption and 3% reduction in material utilization.
- A series of products developed for low ecological footprint like Lowest Life Cycle Cost (LLC™) Products which has led to savings of ₹ 22.5 Million and CO2 reduction of 2,200 Metric Tons equivalent to 10 years' Carbon footprint of a pump.
- Dbxe pumps developed which offer superior efficiency, superior performance and more reliable design conforming to EN733. It complies the European Minimum Efficiency Index (MEI) of ≥ 0.7 for water pumps as per EN 16480.
- Energy Conservation (ENCON) Assessment for energy saving competition within KBL group of companies. Through this initiative, the Company has saved around 1000 GWh till date.

(ii) Steps taken by the Company for utilizing alternate sources of energy

- Development of hydro-turbine gensets like PICO, PAT which act as a Micro Hydro Power Generator when operated in reverse direction as a turbine for generating electricity. It is designed for meeting energy requirements in industries.
- Using solar energy for emergency lamps in 2nd & 3rd shift operations.

- Maximum usage of natural light during daytime on shop floor through sky light sheets.
- Enhancing renewable energy contribution for the group companies from existing 23% to around 70% by FY 2025-26.

(iii) The capital investment on energy conservation:

Particulars	Amount (₹ in Million)
Coke charged Cupola furnace replaced with Induction furnace	27.00
Introduction of new melting power panel with Insulated Gate Bipolar Transistor (IGBT) technology at ACS furnace	9.77
Reciprocating compressors replaced with screw compressors	9.00
Installed new high efficient 1,010 KVA DG at powerhouse	8.90
Upgradation of CED PLC system	2.00
Modification of contactor logic conducted in Moranda VTL to 2.0 PLC Logic with Motor VFD	0.90
Spindle DC analog drive of various CNC machines converted into digital system	0.60
Installation Harmonic filter panel for 300 kVA	0.50
IOT based inspection system for component inspection in machine shop	0.50
30 HP pump replaced by 2HP at CED Manufacturing	0.34
Total	59.51

B) TECHNOLOGY ABSORPTION:

i) Efforts made towards technology absorption

- Developed dry pit submersible pump which can work as dry pit as well as wet pit.
- To cater to the market needs of energy efficient products, the Company has developed Monobloc pumps and Self Priming pump sets with IE4/IE5 ultra-premium efficiency motors.
- The Company has developed 150 mm borewell submersible pumps with Advanced Sand Fighter arrangement and energy efficient oil filled motors to cater to the customers' need for enhanced protection against the sandy bores.
- To address special export requirement, the Company has developed SCT250/40VT Pump with vertical execution.



- The Company has extended its sewage handling pump range (9 models) to enhance market penetration.
- The Company has revived existing pumps' range for improved head rise to shut off.
- To enhance NPSHr characteristics, the Company has developed new models.
- For mobile flood handling applications, the Company has developed Autoprime Trolley mounted pump sets.
- To meet customers' requirements, extended versions in vertical turbine pump range have been developed.
- To enhance product basket, the Company has developed Butterfly valves 3100mm PN10, 3100mm PN16, 1400mm PN6, new E- Series 1000 mm PN30, High performance butterfly valve DN80 CL300, DN200 CL150, Centric Butterfly Valve DN150 PN16, DN300 PN16.
- The Company has developed Ball Valves (Floating) DN50 CL150, DN150 CL150, DN300 CL150, 3800mm PN2.5 Turbine inlet Valve fabricated and hydraulic operated with ground mounted cylinder arrangement to extend its product range.
- Extended non rising sluice valve product range by developing 1600mm PN2.0 EO, 1400mm PN2.0.

ii) Benefits derived like product improvement, cost reduction, product development or import substitution

- Competitive edge with Ultra-premium efficiency products.
- Most efficient pumps in the market.

- Capability enhancement / range extension to meet customer requirements.
- Import substitution.
- Addressing export market.
- Reduction in product development time and cost.

iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) - NIL

Details of technology imported	Not Applicable
Year of import	
Whether the technology been fully absorbed	
If not fully absorbed, area where absorption has not taken place, and the reason thereof	

iv) Expenditure incurred on Research and Development

	(₹ in Million)
Revenue expenditure	284.79
Capital Expenditure	4.79
TOTAL	289.58

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	(₹ in Million)
Foreign Exchange earned in terms of actual inflows during the year	1713.73
Foreign Exchange outgo during the year in terms of actual outflows	902.21

Annexure II

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Kirloskar Brothers Limited enjoys a legacy of over a century of making a positive difference in the area of socio-economic development of the less privileged communities and other stakeholders, by being a responsible business house through adoption of appropriate business processes and strategies and by carrying out various initiatives towards its social obligations for the society in the vicinity of all its manufacturing locations. The activities are carried out by the Company and its implementing agency, Vikas Charitable Trust.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vivek Pendharkar	Chairman	1	1
2.	Mr. Sanjay C. Kirloskar	Member	1	1
3.	Ms. Rama Kirloskar	Member	1	1
4.	Ms. Rekha Sethi	Member	1	1

3. Provide the web-link where following are disclosed on the website of the Company:

Composition of CSR committee:

<https://www.kirloskarpumps.com/composition-of-various-committes-of-board/>

CSR Policy:

<https://www.kirloskarpumps.com/wp-content/uploads/2020/01/CSR-policy-Ammended-upto-May-2017.pdf>

CSR projects approved by the board:

<https://www.kirloskarpumps.com/wp-content/uploads/2024/02/Corporate-Social-Responsibility-Revised-Annual-Action-Plan-2023-24-1.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not applicable. As the average CSR obligation of the Company, in the three immediately preceding financial years, is less than ₹ 10 Crores.

5.	(a) Average net profit of the company as per sub-section (5) of section 135 of the Companies Act, 2013, ('the Act')	₹ 1,59,83,51,023/-
	(b) Two percent of average net profit of the Company as per sub-section (5) of section 135 of the Act	₹ 3,19,67,020/-
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	(d) Amount required to be set off for the financial year, if any.	Nil
	(e) Total CSR obligation for the financial year [(b) + (c) – (d)]	₹ 3,19,67,020/-
6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹ 3,21,80,527/-
	(b) Amount spent in Administrative Overheads	0
	(c) Amount spent on Impact Assessment, if applicable	0
	(d) Total amount spent for the Financial Year [(a) + (b) + (c)]	₹ 3,21,80,527



(e) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,21,80,527	Nil	NA	NA	Nil	NA

(f) Excess amount for set off, if any – NA

Sl. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the Company as per sub-section (5) of section 135	3,19,67,020
ii.	Total amount spent for the Financial Year	3,21,80,527
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	2,13,506
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years: NIL

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY - 1				Nil			
2	FY - 2							
3	FY - 3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: -

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net 'profit' as per Section 135(5): Not Applicable.

Sd/-

Sanjay C. Kirloskar

Chairman and Managing Director
(DIN 00007885)

Sd/-

Vivek Pendharkar

Chairman CSR Committee
(DIN 02791043)

Annexure III

Disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year			
		Name of Director / Key Managerial Personnel	Designation	Ratio to Median remuneration (times)
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year	Mr. Sanjay Kirloskar	Chairman and Managing Director	94.61
		Ms. Rama Kirloskar	Joint Managing Director	89.67
		Mr. Alok Kirloskar	Non Executive Director	3.32
		Mr. M.S.Unnikrishnan	Independent Director	4.08
		Mr. Shobinder Duggal	Independent Director	3.74
		Mr. Shrinivas Dempo	Independent Director	3.40
		Ms. Ramni Nirula	Independent Director	3.74
		Mr. Amitava Mukherjee	Independent Director	*
		Mr. Vivek Pendharkar	Independent Director	3.32
		Ms. Rekha Sethi	Independent Director	3.49
		Mr. Vinayak Deshpande	Independent Director	*
		Mr. Chittaranjan Mate	Chief Financial Officer	NA
		Mr. Devang Trivedi	Company Secretary	NA
(iii)	The percentage increase in the median remuneration of employees in the Financial Year	0.01%		
(iv)	The number of permanent employees on the rolls of the Company	As on March 31, 2024 Staff – 1,503 Workmen – 1,096		
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out, if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in the salary of employees (other than Key Managerial Personnel) for the Financial Year 2023-24, as compared to Financial Year 2022-23 is 12.1% (including performance-based incentive). Refer abovementioned point no.(ii) for comparison with the percentile increase in the managerial remuneration.		
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes		

Notes:

- 1) The aforesaid details are calculated on the basis of remuneration for the Financial Year 2023-24.
- 2) Remuneration to Non-Executive Directors include sitting fees paid during the Financial Year 2023-24.
- 3) The median remuneration of employees of the Company for the Financial Year 2023-24 is ₹ 881,712.
- 4) *The % increase in remuneration is provided only for those Directors and Key Managerial Personnel who have drawn remuneration from the Company for the entire Financial Year 2022-23 and 2023-24. The ratio to median remuneration is provided only for those Directors who have drawn remuneration from the Company for the entire Financial Year 2023-24.
- 5) Mr. Amitava Mukherjee ceased to be Non-Executive Independent Director of the Company w.e.f. July 3, 2023 due to his demise. Mr. Vinayak Deshpande has been appointed as Non-Executive Independent Director w.e.f. August 2, 2023.



Annexure IV

Form No. AOC-2

[Pursuant to clause (h) of sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the resolution was passed in general meeting as required under first proviso to Section 188
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- NIL -

2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
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- NIL -

Please refer Note No. 35 of the Standalone Financial Statements of the Company.

Annexure V**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31st March, 2024.

To,
The Members of,
Kirloskar Brothers Limited
(CIN: L29113PN1920PLC000670)
"Yamuna", S No.98/3 - 7
Plot No.3 Baner, Pune - 411045

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kirloskar Brothers Limited** (hereinafter called as "the Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, and subject to letter annexed herewith, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: -

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.
- (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



During the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above, wherever applicable.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors including a woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board Meetings including Committees thereof, alongwith agenda and detailed notes on agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the

meeting by the directors. The decisions at the meeting were carried unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that during the audit period, there was no other event/action having major bearing on affairs of the Company.

Place : Pune

Dated: May 14, 2024

UDIN: F001587F000363454

Shyamprasad D. Limaye

F.C.S. 1587 C.P. 572

To,
The Members,
Kirloskar Brothers Limited
(CIN: L29113PN1920PLC000670)
"Yamuna", S No.98/3 - 7
Plot No.3 Baner, Pune - 411045

My Secretarial Audit Report for Financial Year ended on 31st March 2024 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records, Accounting Standards and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Pune

Dated: May 14, 2024

Shyamprasad D. Limaye

F.C.S. 1587 C.P. 572



Annexure VI

FORM NO. MR-3

Secretarial Audit Report For the Financial Year Ended 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Karad Projects and Motors Limited,
Plot No. B-67/68, MIDC, Karad Industrial Area,
Tasawade, Satara, Karad - 415109

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Karad Projects and Motors Limited (CIN: U45203PN2001PLC149623)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March 2024** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (during the year under review not applicable to the Company);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (during the year under review not applicable to the Company, as the shares of the company are not in dematerialized form);
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the year under review not applicable to the Company as the Company does not have any foreign direct

investment, overseas direct investment and external commercial borrowings);

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (during the year under review not applicable to the Company as the Company is an unlisted company);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (during the year under review not applicable to the Company as the Company is an unlisted company);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the year under review not applicable to the Company as the Company is an unlisted company and not proposing to get its securities listed);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (during the year under review not applicable to the Company as the Company is an unlisted company);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (during the year under review not applicable to the Company as the Company is an unlisted company);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client (during the year under review not applicable to the Company as the Company is not availing services of Registrars to an Issue and Share Transfer Agents);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (during the year under review not applicable to the Company as the Company has not done delisting of shares);

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the year under review not applicable to the Company as the Company is an unlisted company); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (during the year under review not applicable to the Company as the Company is an unlisted company).

- (vi) As informed to me, no other law(s) is applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.

I have not examined compliance with the applicable clauses of the following since it is not applicable to the Company during the period under review as the Company is an unlisted Company:

- (i) The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director and Non-Executive Directors. There were no changes in the composition of the Board of Directors during the period under review. Being an

unlisted public company, which is a wholly owned subsidiary, appointment of independent directors is exempted.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records provided by the Company, none of the members of the Board or Committees of the Board dissented on any resolution(s) passed at the meetings.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

Yogesh Kandalgaonkar

Company Secretary

FCS No. 6197, C.P. No. 20316

Unique Document Identification Number (UDIN): F006197F000203196

Peer Review Certificate Number: 2620/2022

Place: Pune

Date: April 22, 2024

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.



Annexure to the Secretarial Audit Report

To,
The Members,
Karad Projects and Motors Limited,
Plot No. B-67/68, MIDC, Karad Industrial Area,
Tasawade, Satara, Karad - 415109

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Yogesh Kandalgaonkar

Company Secretary

FCS No. 6197, C.P. No. 20316

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