

BOARD'S REPORT

TO THE MEMBERS

Your Directors present the 105th Board Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 together with the reports of the Auditors thereon.

FINANCIAL RESULTS

The financial results of the Company for the Financial Year 2024-25 as compared with the previous Financial Year are as under:

	(₹ Million)	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	29,014	27,201
Other income	408	359
Total	29,422	27,560
Profit before tax	3,473	3,225
Tax expense	852	791
Profit for the period	2,621	2,434
Other comprehensive income	(41)	(72)
Surplus in Profit & Loss Account brought forward from previous year	8,157	6,152
Dividend	(476)	(357)
Available surplus	10,261	8,157

DIVIDEND

The Board of Directors have recommended a Dividend of ₹ 7/- per equity share i.e. @ 350% of face value of ₹ 2/- each, for the Financial Year 2024-25 (₹ 6/- per equity share as Dividend for the Financial Year 2023-24) as per the Dividend Distribution Policy.

The total outflow towards dividend recommended for the Financial Year 2024-25 will be ₹ 555.86 Million as against ₹ 476.45 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/2025/02/Dividend-Distribution-Policy.pdf>

OPERATIONS OF THE COMPANY

The revenue from operations for the year under review is ₹ 29,014 Million, which represents an increase of 6.7% as compared to the previous financial year.

The Financial Year 2024-25 was marked by steady economic recovery and renewed market confidence. Leveraging this positive momentum, the Company strengthened its operational efficiency and customer focus,

enabling the delivery of superior products and services tailored to evolving market needs.

In FY 2024-25, Water Resource Management secured significant orders across Madhya Pradesh, Maharashtra, Uttarakhand, Uttar Pradesh, and Jammu & Kashmir, notably under the Jal Jeevan Mission (JJM) for multi-stage, split-case, and vertical turbine pumps. With IoT-based solutions gaining traction under Atal Mission for Rejuvenation and Urban Transformation (AMRUT 2.0) and JJM, the Company is poised to make IoT a project standard, while also exploring solar hybrid systems and energy-efficient pump replacements. The Irrigation segment recorded impressive wins from Narmada Valley Development Authority (NVDA) and the Uttar Pradesh Irrigation Department, with replacement sales contributing 23%. In Power, the Company reinforced its leadership with key orders in nuclear, thermal, and hydro projects, including India's first Pump-as-Turbine order. Thermal power saw strong inflows from supercritical projects in Chhattisgarh and Uttar Pradesh, along with flue gas desulphurisation pump supplies. The Valves business continued to earn large repeat orders in irrigation, backed by growing Maintenance, Repair and Operations (MRO) demand and export breakthroughs in the Middle East. Building & Construction achieved 23% sales growth through major supplies to projects like Worli redevelopment, Patna Metro Phase 1, and Pepsico Assam, supported by a strong industry presence and internal training initiatives. The Industry segment saw robust demand from Steel, Coal, Mining, and Chemicals, with Chemicals contributing 25% to segment sales. In Oil & Gas, the Company deepened its "Make in India" commitment with indigenised STPs for IOCL, HPCL, and BPCL, while Marine & Defence delivered fully localised pumps and firefighting systems under "Atmanirbhar Bharat." The Small Pump Business maintained steady year-on-year growth through product expansion, entry into new markets, network strengthening, and digital transformation, meeting rising demand for energy-efficient and eco-friendly solutions.

In FY 2024-25, the Company's R&D division sustained its focus on innovation and application-driven product development, introducing new multistage pumps for high-pressure boiler feed applications and slurry recirculation pumps for FGD plants. Key milestones included the development of canned motor pumps for defence, the launch of advanced IoT-based KirloSmart 2.0 and 2.1 systems, and material advancements for slurry and monobloc pumps. As part of the i-Mission project, user-driven enhancements led to prototypes for four product series, alongside design optimisations in sewage handling pumps. Addressing market needs, KBL launched India's first energy-efficient borewell submersible pump series and expanded its residential and agricultural product offerings.



In FY 2024–25, the Customer Service and Spares (CSS) function delivered strong results. The Small and Medium Pump Division (SMPD) achieved 13% sales growth through proactive services, energy audits, and a robust nationwide service network. The Engineered Service Division (ESD) for Large Pump Division (LPD) grew by 12%, driven by customer recovery from non-OEM providers, quick complaint resolution, and successful performance guarantee tests and energy audits, further strengthening the Company's service leadership.

The Company has further enhanced the capabilities of its channel partners to ensure faster product delivery and improved service responsiveness. In pursuit of this objective, six Authorised Pump set Original Equipment Manufacturer (APOEM) facilities have been established across the country, significantly reducing delivery timelines and strengthening customer support.

During the year, the Company's flagship manufacturing facility at Kirloskarvadi celebrated 115 years of its establishment, marking a significant milestone in the Company's industrial legacy. The plant's adoption of Total Productive Maintenance (TPM) has notably enhanced operational efficiency, equipment reliability, and employee engagement, reaffirming its status as a world-class manufacturing hub. The Dewas Plant reinforced its commitment to innovation and customer satisfaction by launching 18 new pump variants and commissioning automation for pump performance testing, further strengthening its manufacturing capabilities. The Kaniyur Plant introduced two new pump models, achieving a record dispatch volume for FY 2024-25, while maintaining steady progress in TPM implementation. Similarly, the Sanand Plant expanded its portfolio with the launch of 49 new models and continued its focus on TPM-driven operational excellence.

KBL's Corporate Social Responsibility (CSR) initiatives are closely aligned with the Company's operational strengths, community needs, and national priorities, in adherence to Schedule VII of the Companies Act, 2013. Anchored in the United Nations Sustainable Development Goals (SDGs), our CSR efforts focus on four key areas: education, healthcare, skill development, and biodiversity conservation.

In education, we introduced activity-based learning, STEM modules, and digital tools in Zilla Parishad schools and ICDS centres across Maharashtra to strengthen foundational literacy and equip children with essential skills.

In healthcare, we enhanced Primary Health Centres in underserved areas by providing infrastructure upgrades to improve access to and quality of care.

Our skill development programme certified over 1500 plumbers across eight states through the Water Management and Plumbing Skill Council.

These initiatives reflect KBL's continued commitment to responsible corporate citizenship, sustainable development, and long-term value creation for society.

AWARDS AND RECOGNITION

The Company earned several prestigious awards and recognitions, including the Golden Peacock National Quality Award 2025, Excellence in Consistent TPM from JIPM, multiple accolades from the Quality Circle Forum of India, and significant acknowledgements for energy conservation and waste management initiatives under the CII Zero Waste to Landfill guidelines, further affirming the Company's pursuit of manufacturing excellence and sustainability leadership.

Furthermore, SPP Pumps, our group company, won the esteemed Manufacturer of the Year Award in Great Britain for the third consecutive year. These achievements speak volumes about SPP Pump's relentless pursuit of excellence.

Together, these achievements underscore the Company's innovative strength, competitive leadership, and position as a frontrunner 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 2024-25 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, 2025 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 (Six) 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:

- (a) in preparation of the annual accounts, the applicable accounting standards have been followed.
- (b) 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 a 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 and other applicable statutes. 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 Management Personnel.

7. REPORT OF AUDITORS

During the Financial Year under review, there are no qualifications, adverse remarks, or disclaimers made by the Statutory Auditor 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.

M/s. Dinesh Birla & Associates (C.P. No. 13029 and Peer Review No. 1668), Practicing Company Secretary has been appointed as Secretarial Auditors of the Company for the Financial Year 2024-25. In terms of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations, 2015'), the Board of Directors has recommended appointment of M/s. Dinesh Birla & Associates as Secretarial Auditors for a term of 5 consecutive years with effect from the conclusion of 105th Annual General Meeting i.e. from the Financial Year 2025-26 till the conclusion of 110th Annual General Meeting i.e. till the Financial Year 2029-2030. He has confirmed his eligibility and necessary certificates as required under the Act and Listing Regulations have been received. His appointment for the term is subject to the approval of the shareholders of the Company at the ensuing Annual General Meeting.

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 2025-26. Their remuneration is subject to ratification by the Members at the ensuing Annual General Meeting.



8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

During the year under review, the Company sold its entire equity shareholding i.e. 41,700 equity shares of ₹ 10,000/- each held in The Kolhapur Steel Limited, a non-material wholly-owned subsidiary, to Karad Projects and Motors Limited, a material wholly-owned subsidiary, at a value of ₹ 108 Million. The transaction was considered to be not in ordinary course of business. The same was entered at an arm's length price based on independent valuation after obtaining necessary approvals.

Except as mentioned above, all contracts / arrangements / transactions entered by the Company during the Financial Year 2024-25 with the related parties were in the ordinary course of business and at arm's length basis. There are 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 activities are covered in the Corporate Social Responsibility Report in the required format is given 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, 2025 has been carried out.

As a part of the evaluation process, the Directors submitted their feedback regarding the evaluation of the Board, of its Committees and other individual Directors of the Company for the Financial Year 2024-25, 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, considering 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 Regulations, 2015, a meeting of Independent Directors was held on March 29, 2025 primarily to

discuss the matters mentioned under the said Schedule. The feedback of the said meeting was shared with the Board of the Company.

14. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES 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. Kirloskar Brothers International B.V. (consolidated)

The revenue for the year under review is ₹ 15,260 Million which is 21.30% more as compared to the previous year. This constitutes 33.97% of consolidated revenue of your Company.

ii. Karad Projects and Motors Limited

The revenue for the year under review is ₹ 5,743 Million which is 13.4% more as compared to the previous year. This constitutes 12.78% of consolidated revenue of your Company.

iii. Kirloskar Corrocoat Private Limited

The revenue for the year under review is ₹ 601 Million which is 48.40% more as compared to the previous year. This constitutes 1.34% of consolidated revenue of your Company.

iv. The Kolhapur Steel Limited

The revenue for the year under review is ₹ 276 Million which is 48.30% lower as compared to the previous year. This constitutes 0.61% of consolidated revenue of your Company.

v. Kirloskar Ebara Pumps Limited (Joint Venture)

The revenue for the year under review is ₹ 3,568 Million which is 18.42% 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 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.

- Mr. Alok Kirloskar (DIN 05324745) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.
- Mr. Pradyumna Vyas (DIN: 02359563) was appointed as an Additional Director in the category of Independent Director, with effect from May 14, 2025. The Board recommends his appointment as an Independent Director of the Company, for a term of 5 years w.e.f. May 14, 2025 at the ensuing Annual General Meeting of the Company.
- Mr. Sanjay Kirloskar (DIN: 00007885) was re-appointed as the Managing Director of the Company, with effect from November 19, 2025, upto March 21, 2027. The Board recommends his re-appointment at the ensuing Annual General Meeting of the Company.
- Details of the Key Managerial Personnel (KMP) of the Company and changes therein during the year under review, are as under:

Mr. Sanjay Kirloskar	- Chairman and Managing Director
Mr. Devang Trivedi	- Company Secretary
Mr. Chittaranjan Mate	- Chief Financial Officer - upto May 14, 2024
Mr. Ravish Mittal	- Chief Financial Officer - from May 15, 2024 to February 28, 2025.

Mr. Bhavesh Chheda has been appointed as Chief Financial Officer (CFO) and KMP with effect from May 14, 2025.

- (iv) During the year, Rotaserve Mosambique, a step-down foreign subsidiary of the Company (i.e. subsidiary of SPP Pumps International Proprietary Ltd.) has been dissolved and hence ceased to be a subsidiary of the Company with effect from July 5, 2024.
- (v) The Company, on October 1, 2024, has sold its entire stake in its non-material wholly owned subsidiary viz. 'The Kolhapur Steel Limited' (TKSL) to a material wholly owned subsidiary viz. Karad Project and Motors limited (KPML) for ₹ 108 Million based on independent valuation. Accordingly, TKSL has ceased to be a wholly owned subsidiary of the Company and it has become a wholly owned subsidiary of KPML and thus a step-down subsidiary of the Company.



- (vi) During the year, the Company has invested ₹ 39.582 Million and acquired 37.52% equity stake in the paid-up equity share capital of Sunsare Solarpark Nineteen Private Limited (Sunsare Solarpark), for purchase of solar power through open/group captive scheme. Accordingly, Sunsare Solarpark has become an Associate Company of Kirloskar Brothers Limited.

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, 2025.

M/s. Sharp & Tannan Associates, Chartered Accountants, Mumbai, are the statutory auditors of KPML. Saffery LLP, 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 2024-25 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. Abhijit Dakhawe, Practicing Company Secretary is attached as **Annexure VI** to this Report, and it does not contain any qualification, reservation or adverse remark or disclaimer.

(vii) 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.

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

- (ix) 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.

(x) 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.

- (xi) 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, 2025.
- (xii) 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.
- (xiii) 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

(xiv) **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. 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 required pursuant to Rule 5(2) of the said rules, will be provided on request, by the Company Secretary.

(xv) **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 the quarter ended October 2018 onwards until 3rd quarter of FY 2024-25. 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 July 2024, KPL once again communicated its intent to terminate the Trademark License/User Agreement vide its communication dated July 11, 2024. Being aggrieved by the same, KBL had filed an Interim Application in the Suit inter alia challenging such communication. The Hon'ble Pune District Court, vide its Order dated January 9, 2025, was pleased to allow KBL's Interim Application and stayed the effect and operation of the termination letter dated July 11, 2024. The Hon'ble Court further restrained KPL from taking any steps

to terminate the Trademark License/User Agreements, pending the hearing and final disposal of the above Suit.

- KPL has filed an Appeal on February 9, 2025 before Hon'ble Bombay High Court challenging the said Order dated January 9, 2025.
- In terms of requirement under Regulation 30A(2) of the SEBI Listing Regulations, 2015, details of the agreements, are available on the website of the Company at <https://www.kirloskarpumps.com/investors/regulation-30a-disclosures/>.

16. CASH FLOW

Cash flow statement for the Financial Year ended on March 31, 2025 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 unsafe acts, unsafe conditions and near miss prevents future accidents. It not only fosters a culture of safety but increases accountability among employees. Reporting of these safety opportunities helps organisations to identify areas where improvements can be made and create a safer work environment for employees. 2.6 per staff safety opportunities (unsafe conditions etc.) were reported in the year 2024-25.
- Corrective And Preventive Actions (CAPA) are crucial for accident prevention by addressing existing problems and proactively mitigating future risks. Corrective actions, taken after an incident, focus on fixing the immediate issue and preventing it from recurring, while preventive actions aim to eliminate the root cause of potential problems before they escalate, potentially leading to accidents. The Company has complied with more than 98% of CAPA in the year 2024-25.
- The Company has reviewed internal audit check sheet and made it more comprehensive and going beyond the requirements mentioned in IS14489. All manufacturing plants of the Company are audited by cross plant safety auditors. Major findings were communicated as non-compliances and minor findings were communicated as area for improvement.
- Employees with the knowledge and skills to identify hazards, implement safety procedures, and handle emergencies effectively, ultimately fostering a safer workplace. The Company has provided more than



3.5-man hours safety training per employee in the year 2024-25.

- Behaviour Based Safety (BBS) proactively addresses the human element in workplace safety, reducing unsafe behaviour by correcting it and reinforcing safe practices. By focusing on what people do, not just what's wrong, BBS fosters a safer and more engaged workforce resulting improved safety culture. More than 7,000 BBS checks were carried out in the year 2024-25, which then analysed and used to improve safety at workplace.
- Year 2024-25 is Reportable accident free for the Company. A good achievement and outcome of efforts taken by all employees towards improvement of safety culture.
- The target is not only to have zero reportable accident but also to have zero injury. Small injuries are the indication of safety performance. Control over small injuries leads to less chance of any big injury. There is 24% reduction in first aid injuries in the year 2024-25 as compared to year 2023-24.

Environment and Energy

Through its Sustainability Policy, the Company is dedicated to achieving excellence in sustainable performance by integrating economic, environmental, and social dimensions. In line with this commitment, the Company pursues a variety of initiatives aimed at minimising its environmental footprint. These initiatives include the conservation of natural resources, reduction of resource use and carbon emissions, development of products with a low ecological footprint, promotion of energy-efficient and renewable energy solutions, conservation of biodiversity, and active engagement with stakeholders and communities to advance sustainability practices.

The Company proudly contributes to nation-building by aligning with key national initiatives such as the 'Make in India' vision and the 'Swachh Bharat Mission.' As a pioneer in sustainable practices, the Company established the first LEED Platinum-certified green building in Pune. We continue to nurture sustainability through:

- GreenCo-certified plants,
- Zero Waste to Landfill certifications,
- Focused water conservation projects,
- Biodiversity assessments,
- Implementation of Zero Liquid Discharge units, and
- Development of GreenPro-certified products.

Through these efforts, the Company is paving the way for a greener, more sustainable future while strengthening commitment to environmental stewardship and responsible growth. This all highlights commitment to producing and

distributing eco-friendly products providing valuable insights into the environmental impact of company's manufacturing processes. Following this, the Company has initiated assessments on a broader range of products to further reduce greenhouse gas (GHG) emissions.

In alignment with commitment to conserving fossil fuels and increasing reliance on renewable energy, the Company has signed 'Third party Open Access Power Purchase Agreement' with Sunsare Solarpark Nineteen Pvt. Ltd. for 13.5 MWp solar power. This clean energy source will provide nearly 70% of the electricity needs at its manufacturing facilities, reducing CO₂ emissions significantly. This green energy initiative complements the 4 MW of wind power and 1.5 MW Solar power generated at Kirloskarvadi plant.

The Company is committed to the Integrated Management System (IMS) certification that complies with ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 & ISO 50001:2018 standards. Through this IMS certification, it promotes a positive culture to create safe, healthy and environment-friendly workplace. The Company acknowledges the global concern on climate change and hence recognises energy as one of the most important resources used.

The Company is deeply committed to addressing climate change and aligning its operations with global sustainability initiatives. Climate change mitigation is integrated into core business strategy, and the Company has undertaken decisive steps to reduce greenhouse gas (GHG) emissions across all areas of its operations.

A major milestone in this journey has been the adoption of the GHG Protocol Standard, a globally recognised framework for measuring and managing GHG emissions. Building on this, KBL has developed and implemented a comprehensive Climate Change Policy that reinforces its commitment to reducing emissions and mitigating the impacts of climate change. This policy is aligned with international frameworks such as the Paris Agreement and complies with national and regional climate action regulations.

The Company's climate strategies include:

- Setting clear targets for reducing carbon footprint, energy consumption, and waste generation over the next decade.
- Pursuing an ambitious goal to achieve Operational Net Zero by 2040 and Overall Net Zero by 2047, ahead of India's national commitment to achieving carbon neutrality by 2070.

Through these initiatives, the Company is proactively contributing to a more sustainable future while supporting India's broader environmental goals.

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 15 years. Further, the Company started presenting Integrated Annual Report since 2018-19. The Annual Report for the Financial Year 2024-25 is the 7th 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 2024-25 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) Rules, 2013. For the Financial Year ended on March 31, 2025, it is reported as under:

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	73
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 extended 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: 14th May, 2025



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

- Third party Open Access Power Purchase Agreement with M/s. Sunsure Solarpark Nineteen Pvt. Ltd. for 13.5 MWp solar power leading to generation of 1,74,37,500 solar units.
- 240 Metal halide/CFL lights/sodium vapour lamp/ high ratings LED lamps replaced with LED lamps at manufacturing plants (Total yearly saving 86,510 kWh and cost saving/year - ₹ 9,72,500/-).
- Optimisation in compressor capacity utilisation by relocating compressors at Kirloskarvadi plant (Total yearly saving 1,37,280 kWh and cost saving/year - ₹ 15,58,128/-).
- Load enhancement from 6.5 MVA to 10 MVA resulted into saving in diesel consumption and thereby cost saving/year - ₹ 1,54,22,400/- .
- Reduced daily energy consumption of the ETP-STP Plant from 90 kWh/Day to 70 kWh/Day (Total yearly saving 2,400 kWh and cost saving / year - ₹ 24,000/-).
- Due to reduction in Specific Energy Consumption of Significant Energy Users equipment by undertaking various energy conservation initiatives at Kaniyur Plant, energy saving achieved of 2,03,223 kWh resulting into cost saving /year - ₹ 1,47,197.
- Second Servo Press installed at Kaniyur plant resulting into cost saving / year - ₹ 8,49,385/-.
- Getting tariff rebate by optimum operation of melting activity at foundaries in night shift thereby saving of ₹ 2.90 Million annually.
- Replacement of diesel based Ladle with PNG fired Ladle preheater, resulting into a saving of ₹ 0.78 Million.
- Installation of Variable Frequency Drive at dust collector at HPML Sand plant led to a saving of ₹ 0.77 Million.
- ARPA Line Cooling Tower motor converted from 7.5HP to 5HP, resulted into a saving of ₹ 0.15 Million.
- Replacement of wall mounting fan with HVLS Fan generated savings of 2,964 kWh units and ₹ 38,000/- annually.

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

- Third party Open Access Power Purchase Agreement with M/s. Sunsure Solarpark Nineteen Pvt. Ltd. for 13.5 MWp solar power leading to generation of 1,74,37,500 solar units.

- Approximately 70% of KBL's electricity consumption is met through renewable energy sources, primarily solar and wind, amounting to a total of 17.77 MW.
- Enhancing renewable energy contribution for the group companies from existing 23% to around 70% by FY 2025-26.
- 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 streetlights.
- Maximum usage of natural light during daytime on shop floor through sky light sheets.
- Use of solar water heater for washing & utensil cleaning.
- Diesel replaced by PNG CED coating plant & ladle preheater.
- Kirloskarvadi plant has established biogas plant where food waste is converted into energy which is used in the canteen.

(iii) The capital investment on energy conservation

Particulars	Amount (₹ Million)
Load enhancement from 6.5 MVA to 10 MVA at Kirloskarvadi plant	50.00
Third party Open Access Power Purchase Agreement with M/s. Sunsure Solarpark Nineteen Pvt. Ltd. for 13.5 MWp solar power	39.58
Metal halide lamp replaced with LED lamps at manufacturing plants	2.10
Old AC replaced with new star rated ACs at manufacturing plants	1.75
Second Servo Press installation done at Kaniyur plant	0.90
Installation of VFD at dust collector at HPML Sand plant	0.50
Replaced Diesel based Ladle to PNG fired Ladle preheater	0.47
Replacement of Wall mounting fan with HVLS Fan	0.34
Installation of harmonics Panel for Induction Furnace	0.24
CED washing machine upgradation in-house with AMC technical support	0.10
Total	95.98

B) TECHNOLOGY ABSORPTION:

i) Efforts made towards technology absorption

- The Company's Research and Development (R&D) division continued with key initiatives for developing new and innovative products in FY 24-25. These include RKBx series of multistage pumps for high pressure boiler feed water applications.
- Technological development initiative of Slurry recirculation pump for Fluidized gas desulphurisation (FGD) plants was completed and site trials are started.
- Development of canned motor pumps for defence application and completed in the year.
- Next generation IoT devices KirloSmart 2.0 & KirloSmart 2.1 are released for Sales with added feature of multiple pump monitoring. New development for hard metal slurry pumps and mono block pumps for defence application progressed well during the year.
- In order to maintain technological edge in nuclear applications, R&D team continued development of Safety class 1 and 2 pumps and high pressure and temperature canned motor pumps.
- The Company adapts a mechanism of integrating user feedback to innovate user friendly features in existing products through i-mission project. This year witnessed successful completion of developing prototypes for four different product series viz. UP/NS/MF & Self priming pumps in i-mission project. Significant design innovations are incorporated in sewage handling pumps NS to simplify assembly and manufacturing processes. Four design patents are filed for innovative features developed in this year.
- To address agricultural market requirements, first-in-India, an energy-efficient series of 175 mm oil filled borewell submersible pump – KU7P was launched in 20 variants. Similarly, first-in-India with Flexi-Drive Technology, completed development of 100 mm LEHR series of borewell submersible pump in 40 variants, for domestic and agricultural application. This provides flexibility to the customers in orientation of installation, low voltage operations and repair/maintenance.
- To meet the demands for a reliable product to use in husking and fisheries, the Company introduced

KDS Single Phase Monobloc Pump Set series with Extended Shaft.

- To lead the domestic market, the Company also introduced the Jalraaj Ultra-1 Max self-priming regenerative pump model.

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

- Most efficient pumps in the market.
- Competitive edge with Ultra-premium efficiency products.
- Reduction in product development time and cost.
- Capability enhancement / range extension to meet customer requirements.
- Addressing export market.
- Import substitution.

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

Details of technology imported	Silicon Carbide coating for Flue-gas Desulfurization pump
Year of import	2024
Whether the technology been fully absorbed	Yes
If not fully absorbed, area where absorption has not taken place, and the reason thereof	NA

iv) Expenditure incurred on Research and Development

	(₹ Million)
Revenue expenditure	277.56
Capital Expenditure	30.92
TOTAL	308.48

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	(₹ Million)
Foreign Exchange earned in terms of actual inflows during the year	1,695.25
Foreign Exchange outgo during the year in terms of actual outflows	833.08



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 agencies.

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	2	2
2.	Mr. Sanjay C. Kirloskar	Member	2	2
3.	Ms. Rama Kirloskar	Member	2	2
4.	Ms. Rekha Sethi	Member	2	2

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/2025/06/CSR-Policy.pdf>

CSR projects approved by the board:

<https://www.kirloskarpumps.com/wp-content/uploads/2025/02/Revised-Annual-Action-Plan-2024-25-1.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 Section 135(5) of the Companies Act, 2013 ('the Act')	₹ 2,12,21,20,112
	(b) Two percent of average net profit of the Company as per Section 135(5) of the Act	₹ 4,24,42,402
	(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 (5b + 5c – 5d)	₹ 4,24,42,402
6.	(a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Project)	₹ 4,30,13,022
	(b) Amount spent in Administrative Overheads	Nil
	(c) Amount spent on Impact Assessment, if applicable	Nil
	(d) Total amount spent for the Financial Year [(a) + (b) + (c)]	₹ 4,30,13,022

(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
2,37,98,022	1,92,15,000	28 th April 2025	NA	Nil	NA

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the Company as per Section 135(5)	4,24,42,402
ii.	Total amount spent for the Financial Year	4,30,13,022
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	5,70,620
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)]	5,70,620

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 Section 135 (6) (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						
2	FY - 2			Nil			
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: Nil

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 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
Member
(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)	Increase / (Decrease) %
(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	111.13	18.61
		Ms. Rama Kirloskar	Joint Managing Director	107.04	20.54
		Mr. Alok Kirloskar	Non-Executive Director	3.51	6.84
		Mr. M.S. Unnikrishnan	Independent Director	4.10	1.39
		Mr. Shobinder Duggal	Independent Director	4.02	8.33
		Mr. Shrinivas Dempo	Independent Director	3.59	6.67
		Ms. Ramni Nirula	Independent Director	4.02	8.33
		Mr. Vivek Pendharkar	Independent Director	3.59	9.40
		Ms. Rekha Sethi	Independent Director	3.76	8.94
		Mr. Vinayak Deshpande	Independent Director	4.02	*
		Mr. Chittaranjan Mate	Chief Financial Officer	NA	*
		Mr. Ravish Mittal	Chief Financial Officer	NA	*
		Mr. Devang Trivedi	Company Secretary	NA	10.84
(iii)	The percentage increase in the median remuneration of employees in the Financial Year	0.98%			
(iv)	The number of permanent employees on the rolls of the Company	As on March 31, 2025 Staff – 1,692 Workmen – 1,287			
(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 2024-25, as compared to Financial Year 2023-24 is 8.42% (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 2024-25.
- 2) Remuneration to Non-Executive Directors include sitting fees paid during the Financial Year 2024-25.
- 3) The median remuneration of employees of the Company for the Financial Year 2024-25 is ₹ 8,90,351.
- 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 2023-24 and 2024-25. The ratio to median remuneration is provided only for those Directors who have drawn remuneration from the Company for the entire Financial Year 2024-25.
- 5) Mr. Chittaranjan Mate ceased to be Chief Financial Officer of the Company w.e.f. May 14, 2024.
Mr. Ravish Mittal was Chief Financial Officer of the Company from May 15, 2024 to February 28, 2025.

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
---	---	--	--	--	----------------------------------	---------------------------------	---

- 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
---	---	--	--	----------------------------------	---------------------------------

- NIL -

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



Annexure V

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

(For the Financial Year ended 31st March, 2025)

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

To,
The Members of
M/s Kirloskar Brothers Limited
CIN: L29113PN1920PLC000670,
Yamuna, S No.98/3 – 7, Plot No. 3
Baner, Pune – 411 045.

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 'the Company'). Secretarial Audit was conducted in a manner that provided us 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, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2025 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 **Kirloskar Brothers Limited** ("The Company") for the financial year ended on 31st March, 2025 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;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended by the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- 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;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company :-

- a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. 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; (**Not applicable to the Company during the Audit Period**)
- f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not applicable to the Company during the Audit Period**)
- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the Company during the Audit Period**)
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the Audit Period**)
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the Audit Period**)

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

As on 31st March 2025, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Woman Director. The composition of the Board of Directors during the period under review was in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings including Committees thereof, along with agenda and detailed notes on agenda were sent 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.

During the period under review, resolutions were carried out through majority decisions. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the Meetings held during the period under review.

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.

For **Dinesh Birla & Associates**
Company Secretaries

Dinesh Birla

Proprietor
FCS: 7658, CP No. : 13029
PRC No. : 1668/2022
UDIN: F007658G000336681

Place: Pune
Date: 14 May, 2025

Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.

**Annexure - A**

To
The Members of
M/s. Kirloskar Brothers Limited
CIN: L29113PN1920PLC000670,
Yamuna, S No.98/3 – 7, Plot No. 3
Baner, Pune – 411 045.

Our Secretarial Audit report of even date is to be read together with this letter:

I further report that:

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 our 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 processes and practices, I followed, provide a reasonable basis for my opinion.
3. Wherever required, I have obtained Management representation(s) about the compliance of Laws, Rules, regulations and happening of events etc.
4. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. I have not verified the correctness and appropriateness of financial records, Accounting Standards and Books of Accounts of the Company.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **Dinesh Birla & Associates**
Company Secretaries

Dinesh Birla

Proprietor
FCS: 7658, CP No. : 13029
PRC No. : 1668/2022
UDIN: F007658G000336681

Place: Pune
Date: 14 May, 2025

Annexure VI

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year Ended 31.03.2025

[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,
Yamuna, Survey No. 98/(3 to 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 **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 authorised 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 2025 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 2025** 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 dematerialised 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.

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 exist 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.

I further report that during the audit period:

- a) The Kolhapur Steel Limited (TKSL) became subsidiary of the Company. The Company entered into Share Purchase Agreement with Kirloskar Brother Limited for acquisition of 100% equity share capital of TKSL.
- b) The Board of Directors approved scheme of amalgamation of The Kolhapur Steel Limited (Transferor Company) with the Company (Transferee Company) and their respective Shareholders in its meeting held on October 15, 2024. The appointed date fixed for this scheme of amalgamation is October 3, 2024.
- c) The Company in its Extraordinary General Meeting held on August 16, 2024 altered the Objects clause of the Memorandum of Association by including objects relating to the business undertaken by The Kolhapur Steel Limited.
- d) The Registered Office of the Company was shifted from Plot No. B-67/68, MIDC, Karad Industrial Area, Tasawade, Karad 415109 to Yamuna, Survey No. 98/(3 to 7), Plot No. 3, Baner, Pune 411045 with effect from November 1, 2024 by obtaining approval of shareholder's in their Extraordinary General Meeting held on October 15, 2024.

Abhijit Dakhawe

Company Secretary
FCS # 6126, CP # 4474
PR No. 5690/2024
UDIN: F006126G000160445

Place: Pune
Date: 22-APR-2025

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,
Yamuna, Survey No. 98/(3 to 7), Plot No. 3,
Baner, Pune 411045

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.

Abhijit Dakhawe

Company Secretary
FCS # 6126, CP # 4474
PR No. 5690/2024
UDIN: F006126G000160445

Place: Pune
Date: 22-APR-2025