Board's Report

TO THE MEMBERS

Your Directors present the 106th Board Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 together with the reports of the Auditors thereon.

FINANCIAL RESULTS

The financial results of the Company for the Financial Year 2025-26 as compared with the previous Financial Year are as under:

(₹ Million)

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations	**28,281**	29,014
Other income	**474**	408
Total	**28,755**	29,422
Profit before tax	**3,232**	3,473
Tax expense	**842**	852
Profit for the period	**2,390**	2,621
Other comprehensive income	**26**	(41)
Surplus in Profit & Loss Account brought forward from previous year	**10,260**	8,157
Dividend	**(556)**	(476)
Available surplus	**12,120**	10,261

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 2025-26 (₹ 7/- per equity share as Dividend for the Financial Year 2024-25) as per the Dividend Distribution Policy.

The total outflow towards dividend recommended for the Financial Year 2025-26 will be ₹ 555.86 Million as against ₹ 555.86 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

On a consolidated basis, the revenue from operations for the year under review is ₹45,380 Million, which represents an increase of 1% as compared to the previous financial year. The revenue from operations for the year under review is ₹28,281 Million, on a standalone basis, which represents a decrease of 2.6% as compared to the previous financial year.

During FY 2025–26, Kirloskar Brothers Limited (KBL/the Company) operated in a global environment marked by slowing yet resilient economic growth, elevated energy prices and cautious capital spending. Despite these challenges, the Company demonstrated operational resilience, strengthened its market position across core segments and continued its focus on technology, quality and customer-centric execution.

Operational Performance

The Company sustained stable performance across its domestic and international operations, supported by diversified end-market exposure, disciplined execution and a strong order pipeline in infrastructure, water, power and industrial segments. Robust demand from government-led initiatives, urban infrastructure investments and industrial modernisation programmes in India offset global macro uncertainties and ensured healthy capacity utilisation across manufacturing facilities.

Focused initiatives around operational excellence, digitalisation and cost optimisation enhanced productivity and responsiveness, enabling the Company to meet customer commitments while maintaining high standards of quality and safety.

During FY 2025–26, KBL recorded strong momentum across infrastructure-linked verticals. The Water Resource Management business secured significant orders from government bodies, OEMs and EPC contractors across multiple states, including marquee projects from the Water Resources Department, Maharashtra and the Kolkata Municipal Corporation. Demand for Auto Prime pumps, KirloSmart™ 2.0 IoT solutions and spares remained healthy, while direct exports and opportunities in solar hybrid pumping systems further strengthened growth prospects. The Irrigation segment also performed well, with major orders from NVDA and the Government of Madhya Pradesh, along with flood control and pump modernisation projects for the Uttar Pradesh Irrigation Department. The Valves business benefited from repeat project orders and higher MRO focus, while the Building and Construction segment delivered robust performance through supplies to major airports, urban infrastructure and disaster management projects, supported by growing adoption of smart firefighting and automation solutions.

The Industry segment recorded strong growth led by steel, chemicals, coal and mining sectors, with new customer additions and increased adoption of energy-efficient and special products. The Small Pump Business demonstrated resilience amid macro challenges, supported by improved execution, portfolio expansion and digitalisation. Customer Service and Spares and the Engineered Services Division maintained stable growth, driven by energy audits, retrofit opportunities and strong service execution, reinforcing KBL's leadership across the lifecycle of pumping solutions.

Strategic Achievements and Technology Leadership

During the year, the Company recorded significant milestones reinforcing its leadership in engineering excellence, advanced technology and strategic sectors:

- Kalpakkam Fast Breeder Reactor (PFBR): KBL engineered and supplied Primary Heat Transport Pumps and Secondary Heat Transport Pumps for the 500 MWe Prototype Fast Breeder Reactor at Kalpakkam, which attained criticality during the year. These pumps are critical to reactor safety as the only rotating equipment in the reactor island. KBL also supplied Concrete Volute Circulating Water Pumps and firefighting systems, marking a major contribution to India's nuclear energy programme and long-term energy security.
- Nuclear Capability Strengthening: The Advanced Technology Product Development Centre (ATPD) achieved ISO 19443 certification, demonstrating KBL's capability to meet stringent global nuclear standards and reinforcing its leadership in nuclear-grade manufacturing.
- Power Sector Growth – Concrete Volute Pumps: The Company secured significant orders from Adani Power for large concrete volute pumps used in cooling water systems, showcasing its global capability in high-capacity pumping solutions for energy infrastructure.
- Indigenisation and Atmanirbhar Bharat: KBL successfully developed and supplied an indigenous pumping solution for retail petroleum outlets, enabling import substitution and contributing to India's self-reliance in specialised applications.
- Marine & Defence: The Company continued supporting India's defence programmes by supplying advanced pumping systems for indigenous naval platforms such as INS Udaygiri and INS Taragiri.

Digital and Smart Solutions

KBL strengthened its position in intelligent pumping systems through innovative digital solutions:

- KirloSmart™ Nano: A compact, intelligent remote monitoring platform enabling predictive maintenance, performance optimisation and energy efficiency improvements.
- KirloSmart™ Fire: A dedicated smart solution for firefighting systems ensuring real-time monitoring, reliability and regulatory compliance.
- Smart Skid Mounted Fire Pump Set: A factory-assembled integrated firefighting solution designed to simplify installation, reduce execution timelines and enhance reliability.

Manufacturing Excellence and Infrastructure

The Company's manufacturing operations across Kirloskarvadi, Dewas, Kaniyur and Sanand delivered consistent performance, supported by TPM deployment, capacity expansion, product innovation and ESG-focused practices.

- The Kirloskarvadi plant received the prestigious TPM Excellence Award from the Japan Institute of Plant Maintenance (JIPM), recognising world-class manufacturing practices and a strong culture of continuous improvement.
- The Hydraulic Research Centre at Kirloskarvadi achieved NABL accreditation (ISO/IEC 17025:2017) along with approval from the Hydraulic Institute, USA, establishing it among globally recognised pump testing facilities.
- Karad Projects and Motors Limited (KPML), a wholly owned subsidiary, earned the Platinum Rating under the CII Green Co framework, highlighting excellence in sustainable manufacturing practices including energy efficiency, water conservation and environmental stewardship.

The small and medium pump segment was impacted by the implementation of the Foundry ERP at the Kirloskarvadi plant. With stabilisation achieved, improved operational visibility and efficiency are expected going forward.

International Operations

During FY 2025–26, the Company's international operations delivered resilient and balanced performance despite global uncertainties. Overseas businesses benefited from strong execution, disciplined cost management and a healthy order book across segments.

SPP Pumps Ltd., the Company's flagship international subsidiary, maintained its leadership position in the UK pump industry and was awarded the Pump Industry Awards (UK) – Manufacturer of the Year for the fourth consecutive year, reflecting consistent performance and engineering excellence.

Corporate Social Responsibility (CSR)

KBL's CSR initiatives remain aligned with Schedule VII of the Companies Act, 2013 and the United Nations Sustainable Development Goals (SDGs), focusing on education, healthcare, skill development and biodiversity conservation. Key initiatives include:

- Arogya Sakhi Programme: Impacted 23,498 beneficiaries and supported 21 Anganwadi centres in Sangli, focusing on maternal and child healthcare.
- Environmental Sustainability: Partnership with Aaranyak to address wildlife protection and human-wildlife conflict, contributing to improved conservation outcomes and reduced casualties.

These initiatives reflect KBL's commitment to responsible growth and community development.

AWARDS AND RECOGNITION

During FY 2025–26, KBL received multiple national and international recognitions for quality, operational excellence, energy efficiency and sustainability.

A key highlight was the Openwell Submersible Pump KOSi 135 receiving the "Appliance of the Year" award at the National Energy Conservation Awards 2025, presented by the Hon'ble President of India.

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 2025-26 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, 2026 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/statutory-filings/annual_return/

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 Auditors 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 have been appointed as Secretarial Auditors of the Company for a term of 5 consecutive years by the shareholders 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 Financial Year 2029-2030.

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 2026-27. 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, 32E and 33 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

The details of all contracts / arrangements / transactions entered by the Company during the Financial Year 2025-26 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. 32 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, 2026 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 2025-26, 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 27, 2026 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, 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. Kirloskar Brothers International B.V. (consolidated)

The revenue for the year under review is ₹ 16,284 Million which is 6.70% more as compared to the previous year. This constitutes 35.90% of consolidated revenue of your Company.

ii. Karad Projects and Motors Limited

The revenue for the year under review is ₹ 6,872 Million which is 14.20% more as compared to the previous year. This constitutes 15.10% of consolidated revenue of your Company.

iii. Kirloskar Corrocoat Private Limited

The revenue for the year under review is ₹ 677 Million which is 12.60% more as compared to the previous year. This constitutes 1.50% of consolidated revenue of your Company.

iv. Kirloskar Ebara Pumps Limited (Joint Venture)

The revenue for the year under review is ₹ 2,788 Million which is 21.87% lower 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.

- 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. Further, she was re-appointed as Joint Managing Director of the Company, with effect from August 03, 2026, for a period of 5 years i.e. upto August 02, 2031. The Board recommends her re-appointment at the ensuing Annual General Meeting of the Company.
- Mr. M.S. Unnikrishnan (DIN: 01460245) ceased to be independent director of the Company on June 04, 2025, on completion of his term of 5 years. He was appointed as an Additional Director in the category of Non-Executive and Non-Independent Director with effect from June 25, 2025. The said appointment was approved by the Members at 105th Annual General Meeting held on August 01, 2025.
- Mr. Harsh Vardhan Shringla (DIN: 11203013) was appointed as an Additional Director in the category of Independent Director, for a term of 5 years with effect from August 02, 2025. The said appointment was approved by the Members on September 10, 2025, through postal ballot.
- Mr. Brij Bhushan Nagpal (DIN: 01853613) was appointed as an Additional Director in the category of Independent Director, for a term of 5 years with effect from November 03, 2025. The said appointment was approved by the Members on December 08, 2025, through postal ballot.
- 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 (Re-appointed w.e.f. November 19, 2025 till March 21, 2027)
Mr. Devang Trivedi	- Company Secretary
Mr. Bhavesh Chheda	- Chief Financial Officer (CFO) (w.e.f. May 14, 2025)

(iv) During the year under review, The Kolhapur Steel Limited/TKSL, stands dissolved and ceased to be a step down wholly owned unlisted subsidiary of the Company (i.e. wholly owned subsidiary of Karad Projects and Motors Limited/KPML), with effect from December 05, 2025 and amalgamated with KPML, a material wholly owned unlisted subsidiary of the Company, pursuant to an Order dated

November 03, 2025, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) approving the Scheme of Amalgamation between TKSL, KPML and their respective shareholders as per the provisions of Section 230 to 232 of the Companies Act, 2013.

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 April 02, 2001, an Unlisted Indian Subsidiary and SPP Pumps Limited ('SPP'), UK, incorporated on July 21, 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, 2026.

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 2025-26 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.

(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, 2026 .

(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. 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.

(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 03, 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 1st quarter of FY 2025-26. 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 09, 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 filed Appeal on February 09, 2025 before Hon'ble Bombay High Court (BHC) challenging the said Order dated January 09, 2025.
- On July 25, 2025, BHC has passed an Order granting stay on interim stay Order passed by Pune Court with regard to 'Clause F' which states that 'KPL is restrained from creating third party interest including granting of license to any third party as Registered User'.
- Therein, KBL has filed Clarification Application before Bombay High Court, which on October 10, 2025 allowed the said application and modified the Order dated July 25, 2025 stating that as per 'Para 22' 'KPL is restrained from licensing or assigning the marks to other Kirloskar group of companies for use in respect of similar / overlapping business of Kirloskar Brothers'.
- Thereafter, KPL filed Special Leave Petition on October 14, 2025 before the Supreme Court challenging the Order dated July 25, 2025 of BHC and Order dated October 10, 2025.
- On January 09, 2026, the Supreme Court disposed of the SLP making interim stay granted on October 17, 2025 to the effect and operation of the Order dated October 10, 2025, as absolute and further requesting the Bombay High Court to ensure that the appeal is disposed of expeditiously within a period of three months from the date a copy of the order is placed before it.
- 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/statutory-filings/regulation_30a_disclosures/.

16. CASH FLOW

Cash flow statement for the Financial Year ended on March 31, 2026 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

- All manufacturing plants of the Company are ISO 45001:2018 certified (Occupational Health and Safety Management System Standard). The Company strives to maintain a safe working environment through regular audits that help identify and monitor health and safety-related incidents. Periodic fire drills and mock drills are conducted to test preparedness, while targeted safety training programmes sensitise employees and workers to precautionary measures.
- Reporting of unsafe acts, unsafe conditions and near-miss incidents, prevents future accidents. It does not only foster a culture of safety but increases accountability among employees. Reporting of these safety opportunities helps the organisation to identify areas where improvements can be made and create a safer work environment for employees. 6 per staff safety opportunities (unsafe conditions etc.) were reported in the year 2025-26.

- 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 re-occurring, while preventive actions aim to eliminate the root cause of potential problems before they escalate and potentially lead to accidents. The Company has complied with more than 90% of CAPA in the year 2025-26.
- 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 4.2-man hours safety training per employee in the year 2025-26.
- 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 7500 BBS checks were carried out in the year 2025-26, which then analysed and used to improve safety at workplace.
- No major accident has occurred during the Year 2025-26. However, there was 1 reportable incident. Efforts taken by all employees resulted into improvement of safety culture.
- The target is not only to have zero reportable accidents, 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 67% reduction in first aid injuries in the year 2025-26 as compared to year 2024-25.
- The Company follows a systematic Hazard Identification and Risk Assessment (HIRA) approach to identify and evaluate work-related hazards. Trained professionals conduct regular audits, and appropriate safety measures are implemented to ensure safe execution of operations. Employees and workers are encouraged to proactively report near-miss incidents through safety committees and established reporting channels.
- In line with ISO 45001:2018 framework, the Company has developed clear procedures to report and manage hazards. The Safety Yellow Tag System enables shop-floor workers to flag safety concerns promptly, while the Safety Committee provides a formal platform to escalate issues to management. Employees are empowered to stop work in the event of any immediate risk to health or safety.

Environment and Energy

Kirloskar Brothers Limited (KBL) integrates sustainability at the core of its business strategy, embedding environmental, social, and economic considerations across all aspects of its operations.

Guided by a comprehensive Sustainability Policy and aligned with Sustainability Vision and Mission, the Company is committed to achieving excellence in sustainable performance through responsible resource utilisation, reduction of carbon emissions, development of environmentally efficient products, promotion of renewable energy, conservation of biodiversity, and active stakeholder engagement.

KBL's approach reflects its belief in sustainable development-meeting present needs without compromising future generations-while supporting national priorities such as Make in India and Swachh Bharat Mission.

As a pioneer in green infrastructure, KBL established Pune's first LEED Platinum-certified building and continues to strengthen its sustainability performance through initiatives such as GreenCo-certified plants, Zero Waste to Landfill certifications, focused water conservation projects, biodiversity assessments, implementation of Zero Liquid Discharge (ZLD) systems, and the development of GreenPro-certified products. These initiatives collectively contribute to minimising environmental impact while enabling the Company to assess and reduce greenhouse gas (GHG) emissions across its manufacturing processes.

KBL has made significant progress in advancing its energy transition and climate action agenda by increasing the share of renewable energy and improving operational efficiency. KBL has implemented 13.5 MW of open access solar power, complemented by rooftop solar of 4.4 MW and an additional 4 MW Wind Power across its facilities. This integrated approach to renewable energy sourcing has enabled KBL to increase its overall renewable energy share to approximately 35% of its total energy consumption.

KBL operates under a robust Integrated Management System (IMS), certified to ISO 9001, ISO 14001, ISO 45001, and ISO 50001 standards, ensuring excellence in quality, environmental management, occupational health and safety, and energy efficiency. Recognising climate change as a critical global challenge, the Company has adopted the GHG Protocol to systematically measure, monitor, and manage its emissions and has implemented a comprehensive Climate Change Policy aligned with international frameworks such as the Paris Agreement.

As part of its long-term climate commitments, KBL has established clear targets to reduce its carbon footprint, energy consumption, and waste generation, while aiming to achieve Operational Net Zero by 2040 and Overall Net Zero by 2047 - well ahead of India's national Net Zero target of 2070.

KBL plays a vital role in supporting India's rapidly evolving infrastructure and energy landscape by delivering innovative, energy-efficient solutions across irrigation, power, defence, and public utilities. Sustainability is embedded throughout the product lifecycle, from design and manufacturing to usage and end-of-life management.

The Company has implemented Life Cycle Assessment (LCA) methodologies across a significant portion of its GreenPro-certified products to evaluate environmental impacts and identify opportunities for improvement. With 12 GreenPro-certified products and 5 GreenCo-certified plants, KBL demonstrates strong leadership in green manufacturing and sustainable product innovation, ensuring that its offerings meet evolving regulatory requirements and customer expectations for environmentally responsible solutions.

Beyond its direct operations, KBL extends its sustainability commitment across its value chain by encouraging suppliers, partners, and stakeholders to adopt environmentally and socially responsible practices. The Company focuses on strengthening ethical governance, ensuring employee health, safety, and well-being, promoting diversity and inclusion, and contributing to community development.

Biodiversity conservation initiatives and environmental protection measures are integrated into site-level operations, ensuring the preservation and enhancement of local ecosystems and reinforcing long-term ecological balance.

KBL's sustained commitment to sustainability and responsible manufacturing has been widely recognised through prestigious national and international accolades, including Golden Peacock Awards for Environment and Sustainability from Institute of Directors, along with certifications such as GreenCo, GreenPro, and Zero Waste to Landfill from CII.

As the Company continues to expand into high-growth sectors such as nuclear power, desalination, and wastewater management, it is building a resilient and diversified portfolio aligned with global priorities of clean energy, water security, and environmental protection. Guided by the vision of Shri. Laxmanrao Kirloskar, KBL remains steadfast in its commitment to innovation, sustainability, and advancing India's industrial self-reliance, while creating long-term value for stakeholders and contributing to a sustainable future.

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 16 years. Further, the Company started presenting Integrated Annual Report since 2018-19. The Annual Report for the Financial Year 2025-26 is the 8th 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 2025-26 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, 2026 , 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	26
5	Nature of action by employer or District Officer, if any	NA

COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

The Company has complied with all the applicable provisions of the Maternity Benefit Act, 1961.

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: May 13, 2026

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.
- Cooling tower renovation (replacement of fills and waterproofing) improved cooling efficiency and reduced AC compressor load, resulting in annual savings of 44,268 kWh and ₹ 8,51,273/-.
- Replacement of conventional CFL lighting with energy-efficient LED lighting across facilities led to savings of 50,265 kWh and ₹ 9,66,595/- per year.
- In-house maintenance of cooling tower and HVAC systems reduced AMC costs by ₹ 3,50,000/- per year.
- Optimised DG set usage (160 kVA instead of 500 kVA during low load conditions) reduced fuel consumption, saving 1,200 kWh equivalent and ₹ 68,400/- annually.
- Installation of power factor correction panel resulted in savings of 28,800 kWh and ₹ 3,60,000/- annually.
- Variable Frequency Drive (VFD) installation at Laempe compressor reduced energy consumption, saving 24,000 kWh and ₹ 3,00,000/- annually.
- Installation of sub-zero system for centralised AC resulted in savings of 1,94,064 kWh and ₹ 24,25,800/- annually.
- Furnace upgradation from SCR to IGBT technology led to major savings of 5,28,000 kWh and ₹ 66,00,000/- annually.
- Replacement of DC motor with energy-efficient AC induction motor achieved savings of 1,81,350 kWh and ₹ 22,66,875/- annually.
- Replacement of compressed air pipeline with aluminium piping reduced losses, saving 1,73,340 kWh and ₹ 21,66,750/- annually.
- VFD installed at balancing machine at Large Pump Division shop resulted in saving 17,707 kWh and cost saving of ₹ 2,21,337/-.
- Installed VFD at 36” Vertical Turret Lathe for main and hydraulic motor at Large Pump Division resulted saving 54,202 kWh and cost saving of ₹ 6,77,525/-.
- Upgraded blasting booths at Large Pump Division composite with VFD application resulted savings 1,50,393 kWh and ₹ 18,79,912/-.

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

- KBL has implemented 13.5 MW of open access solar power, complemented by rooftop solar of 4.4 MW and an additional 4 MW Wind Power across its facilities. This integrated approach to renewable energy sourcing has enabled KBL to increase its overall renewable energy share to approximately 35% of its total energy consumption. It has resulted in enhancing renewable energy contribution for the group companies from earlier 23% to around 35% by FY 2025-26.
- Exploring both CAPEX as well as Open Access solutions for 2.5 MW Solar Power for Dewas plant.
- Apart from KBL pumps, KBL turbines are engineered with a strong focus on energy efficiency, precision manufacturing, and advanced hydraulic design, ensuring optimal performance and reduced lifecycle costs.

  Accordingly, our esteemed customers have been able to generate 9,500 MW of green energy and contribute to avoiding 6.83 million tons of GHG emissions till date and more to enhance day by day.
- The Company continues to innovate in energy recovery through its PICO and Pump As Turbine (PAT) patented pump models, designed to meet low-to-moderate energy requirements across diverse industries. These pumps can operate in reverse mode as turbines to generate electricity.

  While PICO is generally used for meeting energy requirements of up to 5 kW, PAT is used for meeting comparatively higher energy requirements of up to 100 kW.

  When deployed as complete energy-generation systems, these solutions help customers reduce energy costs while offering an effective alternative for lowering carbon emissions bringing clean, decentralised energy to remote communities where grid electricity is a big challenge.
- Using solar energy for street light within factories of the Company.
- Kirloskarvadi plant has established biogas plant where food waste is converted into energy and which is being used in the canteen.
- Maximum usage of natural light during daytime on shop floor through sky light sheets.
- Use of solar water heater for washing & utensil cleaning.

(iii) The capital investment on energy conservation:

Particulars	Amount (₹ Million)
Replaced old GI based compressed air pipe line with new Aluminium based pipe line	9.5
Rooftop solar panel 200 kWp including operation and maintenance for 5 years at Sanand plant	8.59
Replaced old servo stabilisers with 15 new static stabilisers at SMPD and LPD	6.0
Rooftop solar panel 130kWp including Operation and Maintenance cost for 5 years at Kaniyur plant	4.8
Cooling Tower Renovation - Replacement of cooling fills and waterproofing works	1.18
VFD installation at Laempe compressor	0.6
76 CFM/15 kW Oil Injected Rotary Screw VFD Compressor	0.46
Replaced CFLs with advanced energy-efficient LED lighting	0.25
HVLS Fan for new building. “24 Feet x 6 Blade” (PMSM direct drive motor) One fan will cover Stores seating & QA area	0.14
2 Ton, 5 Star Air conditioner for server room	0.05
Repaired 160 KVA DG set for minimum load operation	0.04
Total	**31.61**

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 2025-26.
- Completed range extension of KW(LC) pump series for HVAC application.
- Completed development of highly efficient vertical turbine pumps, giving an edge over competition.
- Completed prototype testing of ATx pump series for thermic fluid application.
- Developed INM pump series to address the requirement of Marine and Defence application.
- Developed prototype with special material in white cast iron for slurry pump application.
- Addressed customer special requirements in development of i-NSx, with modular Design.
- Development of high pressure multistage feed pump KRO for Desalination.
- Next generation IoT devices KirloSmart 2.1 and compact series Kirlosmart Nano Module developed for HYPN and firefighting, which can be expanded for various applications.
- 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.
- Extended the product basket with special pumps for nuclear applications.
- Development of high temperature large split case pumps, Satellite ring fitted large split case pumps as per clients’ demands.
- Launched India’s first 20 cm submersible pump with ASF feature KS8-ASF Series for handling high sand-content applications.
- JOS Ultra (phase to phase) introduced to capture and grow market share in the agricultural segment.
- Mini Eco range – Chotu Ultra I & II strategically developed to capture and expand share in the residential segment.
- Solar submersible and mono-block pumps developed to strengthen presence in the rapidly growing solar market.
- Developed High performance sewage/ drainage dewatering series Sewage (CW+ & BW+)
- New 5-star KOSi ULTRA – 128 model launched to expand presence in the residential open well market.
- Extended the range of Multi-door non return valve (MDNRV) and Dual-plate check valve (DPCV) to address market requirements.
- Developed single-chamber triple-function air valve and high-performance butterfly valve.

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

- Portfolio of products to address different application requirements.
- 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 Desulfurisation 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	295.41
Capital Expenditure	0.50
Total	**295.91**

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ Million)

Foreign Exchange earned in terms of actual inflows during the year	2,143.86
Foreign Exchange outgo during the year in terms of actual outflows	618.55

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/investors/board-of-directors/compositionBoard/

   CSR Policy:

   https://www.kirloskarpumps.com/investors/policies-and-governance-documents/csr-policy/

   CSR projects approved by the board:

   https://www.kirloskarpumps.com/wp-content/uploads/2026/02/Revised_Annual-Action-Plan_2025-26.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') ₹ 3,05,74,87,951/-

   (b) Two percent of average net profit of the Company as per Section 135(5) of the Act ₹ 6,11,49,759/-

   (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) ₹ 6,11,49,759/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) ₹ 4,75,00,000/-

   (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)] ₹ 4,75,00,000/-

   (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
4,75,00,000/-	1,97,00,000/-	April 18, 2026	NA	Nil	NA

(f) Excess amount for set off, if any - ₹ 60,50,241/-

Sl. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the Company as per Section 135(5)	6,11,49,759/-
ii.	Total amount spent for the Financial Year	6,72,00,000/-
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	60,50,241/-
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)]	60,50,241/-

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

<table>
<tr><th rowspan="2">Sl. No.</th><th rowspan="2">Preceding Financial Year</th><th rowspan="2">Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)</th><th rowspan="2">Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)</th><th rowspan="2">Amount Spent in the Financial Year (in ₹)</th><th colspan="2">Amount transferred to a fund as specified under Schedule VII as per second proviso to Sub-Section (5) of Section 135, if any</th><th rowspan="2">Amount remaining to be spent in succeeding Financial Years (in ₹)</th><th rowspan="2">Deficiency, if any</th></tr>
<tr><th>Amount (in ₹)</th><th>Date of transfer</th></tr>
<tr><td>1</td><td>FY 2024-25</td><td>1,92,15,000/-</td><td>NIL</td><td>1,92,15,000/-</td><td>NIL</td><td>NIL</td><td>NIL</td><td>NIL</td></tr>
<tr><td>2</td><td>FY - 2</td><td colspan="7" rowspan="2">NIL</td></tr>
<tr><td>3</td><td>FY - 3</td></tr>
</table>

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

<table>
<tr><th>Sl. No</th><th>Short particulars of the property or asset(s) [including complete address and location of the property]</th><th>Pin code of property or asset(s)</th><th>Date of creation</th><th>Amount of CSR amount spent</th><th colspan="3">Details of entity/ Authority/ beneficiary of the registered owner</th></tr>
<tr><th>(1)</th><th>(2)</th><th>(3)</th><th>(4)</th><th>(5)</th><th colspan="3">(6)</th></tr>
<tr><th></th><th></th><th></th><th></th><th></th><th>CSR Registration Number, if applicable</th><th>Name</th><th>Registered Address</th></tr>
<tr><td colspan="8">Not Applicable</td></tr>
</table>

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/-	Sd/-
Sanjay C. Kirloskar	**Vivek Pendharkar**
Member	Chairman CSR Committee
(DIN: 00007885)	(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	77.35	(30.26)
		Ms. Rama Kirloskar	Joint Managing Director	77.50	(27.46)
		Mr. Alok Kirloskar	Non-Executive Director	3.12	(10.82)
		Mr. M.S. Unnikrishnan	Non-Executive Director	3.96	(3.10)
		Mr. Shobinder Duggal	Independent Director	3.63	(9.45)
		Mr. Shrinivas Dempo	Independent Director	3.38	(5.88)
		Ms. Ramni Nirula	Independent Director	3.63	(9.45)
		Mr. Vivek Pendharkar	Independent Director	3.21	(10.56)
		Ms. Rekha Sethi	Independent Director	3.46	(7.85)
		Mr. Vinayak Deshpande	Independent Director	3.96	(1.06)
		Mr. Pradyumna Vyas	Independent Director	3.33	*
		Mr. Harsh Vardhan Shringla	Independent Director	*	*
		Mr. Brij Bhushan Nagpal	Independent Director	*	*
		Mr. Bhavesh Chheda	Chief Financial Officer	NA	*
		Mr. Devang Trivedi	Company Secretary	NA	13.19
(iii)	The percentage increase in the median remuneration of employees in the Financial Year	1.02%			
(iv)	The number of permanent employees on the rolls of the Company	As on March 31, 2026 Staff – 1,793 Workmen – 1,305			
(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 2025-26, as compared to Financial Year 2024-25 is 12.30% (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 2025-26 .*

2) *Remuneration to Non-Executive Directors include sitting fees paid during the Financial Year 2025-26 .*

3) *The median remuneration of employees of the Company for the Financial Year 2025-26 is ₹ 8,92,101.*

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 2024-25 and 2025-26. The ratio to median remuneration is provided only for those Directors who have drawn remuneration from the Company for the entire Financial Year 2025-26.*

5) *Mr. Harsh Vardhan Shringla was appointed as Non-Executive Independent Director of the Company w.e.f. August 02, 2025. Mr. Brij Bhushan Nagpal was appointed as Non-Executive Independent Director of the Company w.e.f. November 03, 2025.*

6) *Mr. Bhavesh Chheda was appointed as Chief Financial Officer of the Company from May 14, 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 188
- 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. 32 of the Standalone Financial Statements of the Company.

ANNEXURE V

FORM NO. MR 3

SECRETARIAL AUDIT REPORT

(For the Financial Year ended 31st March, 2026)

[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 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, 2026 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, 2026 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 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

As on March 31, 2026, 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: F007658H000343455

Place: Pune
Date: 13th May, 2026

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: F007658H000343455

Place: Pune
Date: 13th May, 2026

ANNEXURE VI

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended 31.03.2026

[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, 2026** 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, 2026** 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, 2025 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 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, Non-Executive Directors and Women Director. Being an unlisted public company, which is a wholly owned subsidiary, appointment of independent directors is exempted.

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 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 Scheme of Amalgamation of The Kolhapur Steel Limited (Transferor Company) with the Company (Transferee Company) and their respective shareholders was approved by The National Company Law Tribunal, Mumbai Bench, vide it's Order dated November 03, 2025. The appointed date for the said scheme was fixed as October 03, 2024. The Company filed Form INC-28 with Register of Companies on December 05, 2025, accordingly the scheme became effective from December 05, 2025.

b) Pursuant the Scheme of Amalgamation becoming effective, the Authorised Capital of the Company stands revised to ₹ 98,00,00,000/- (Rupees Ninety-Eight Crores Only).

Abhijit Dakhawe
Company Secretary
FCS # 6126, CP # 4474
PR No. 5690/2024
UDIN: F006126H000203070

Place: Pune
Date: 27-APR-2026

This report is to be read with Annexure A, which forms an integral part of this report.

Annexure A

To,
The Members,
Karad Projects and Motors Limited,
Yamuna, Survey No. 98/(3 to 7), Plot No. 3,
Baner, Pune 411045

Auditor's responsibility

Based on audit, my responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. I conducted audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. 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: F006126H000203070

Place: Pune
Date: 27-APR-2026