



KIRLOSKAR BROTHERS LIMITED

A Kirloskar Group Company

Enriching Lives

Date: - 03rd October 2025

To,

✓ (1) The Corporate Relationship Department,
BSE Ltd.,
1st Floor, Rotunda Building,
Dalal Street, Fort,
Mumbai – 400 001.

(2) The Listing Department,
National Stock Exchange of India Ltd.,
Exchange Plaza – C-1, Block – G,
Bandra –Kurla Complex, Bandra (E),
Mumbai – 400 051.

Dear Sir(s),

Re.: Kirloskar Pneumatic Company Ltd. (“KPCL”) Letter dated 26-09-2025 (“Corporate Communication”) regarding

- (i) Order dated 23-09-2025 passed by the Hon’ble Bombay High Court in Writ Petition (OS) No. 560 of 2025 (“Order”) - *Kirloskar Pneumatic Company Limited & Anr. v. Securities and Exchange Board of India* (“Writ Petition”) &
- (ii) Disclosure under Regulation 30A read with Clause 5A of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including amendments thereunder (“Regulations”).

1. We write to you in relation to a Corporate Communication by KPCL ostensibly relating to (i) a Disclosure made by KPCL under Regulation 30A read with Clause 5A of Para A of Part A of Schedule III of the SEBI LODR Regulations; and (ii) the aforesaid Order of the Hon’ble High Court.
2. We wish to state that KPCL has intentionally sought to misrepresent the true and correct facts in its Corporate Communication under reference.
3. While KPCL has made selective reference to parts of the Hon’ble Bombay High Court’s order dated 23-09-2025, KPCL has not drawn specific attention in its Corporate Communication to paragraphs 4 and 5 of the said Order which state as follows:



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"4. We accept both the statements as recorded above. We make it clear that we have not gone into the merits or contentions of the parties regarding their dispute which is expressly kept open. All pending proceedings between the parties including proceedings pending before Securities Appellate Tribunal will be decided on their own merits. It is further made clear that the aforesaid statement of SEBI does not tantamount to a dilution of any earlier order(s) that may have been passed by SEBI or in the Petitioner's challenge to the said order(s) which are pending consideration before by the Securities Appellate Tribunal, including the inter se dispute between the parties to the proceedings as well as the Interveners – Kirloskar Brothers.

5. It is pertinent to note that the Intervener - Kirloskar Brothers have objected to the above statement made by SEBI." (Emphasis supplied)

4. Pertinently, SEBI's own Order/ Communication dated 30th December 2024 specifically notes as follows:

"5.14 In the instant matter, Clause 15 of DFS provides for a non-compete clause and inter-alia reads as under:

"No Party shall do or omit to do any act, deed or thing which will cause damage to the name and reputation of "Kirloskar" including engaging in a directly competitive business..."

5.15 In this regard, the said non-compete restriction between the parties (promoters and Chairman of the listed entity) to DFS would extend to the listed entities promoted by them as the DFS was itself executed for the purpose of transfer of the ownership, management and control of different businesses (including that of listed entities) amongst the Kirloskar family members.

5.16 In view of the same, the aforesaid clause imposes restrictions on KPCL in a sense that it cannot engage in a business similar to other entities managed by the parties to DFS. Since the promoters of the listed entities have agreed (in their individual capacities) to be bound by the non-compete clause, the non-compete clause in the DFS therefore indirectly imposes a restriction on the listed entity, even though the listed entity is itself not a signatory to the DFS. It is submitted that the same would also fall within the ambit of the Explanation to Clause 5A which provides that the term "directly or indirectly" includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.

5.18. A contention has been made that SEBI having taken a view earlier is estopped from taking any other view now. In this regard, it should be noted that the previous view taken by SEBI and upheld by the SAT Order dated May 13, 2022 were in the context of the pre-amended LODR Regulations. With change in law, the circumstances also change. Hence, this submission has no merit.



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5.19. *The purpose of mandating disclosure of agreements placing restrictions on the listed entity is to ensure that the information symmetry in the market so that shareholders can take informed decision. The disclosure obligation also applies regardless of whether the listed entity is a party.*

5.22. *In view of the forgoing, since it is determined above that the DFS is subsisting **and creates a restriction on the listed entity**, since disclosure is mandated in terms of Regulation 30A read with Clause 5A of para A of part A of Schedule III of the LODR Regulations, the disclosure of DFS is warranted accordingly under the aforesaid provisions.*

6. *In view of the above, since the DFS is subsisting in nature, **indirectly creates a restriction on the listed entities** managed/promoted by the parties to such DFS, warrants disclosure, regardless of whether such listed entity is a party to the agreement or not, under Regulation 30A read with Clause 5A of para A of part A of Schedule III of the LODR Regulations, 2015, you are advised to disclose the DFS in terms of LODR Regulations." (Emphasis supplied)*

5. In view of the express findings of SEBI in the aforesaid Order/ Communication passed in KPCL's own proceedings before SEBI, the disclosure mentioned at paragraph 3(c) of KPCL's Communication is expressly false, in suppression of material facts and contrary to SEBI's Order/ Communication.
6. KPCL's reliance on the purported general statement made by SEBI as recorded in paragraph 2 of the Order of the Hon. Bombay High Court dated 23-09-2025, to contend in the disclosure that the DFS does not impose any restrictions on KPCL is a serious misrepresentation made to the Exchanges and to the investors. This disclosure is not in compliance with Regulation 30A of the SEBI LODR inasmuch as the same is qualified, while the SEBI LODR does not contemplate a qualified or conditional disclosure. It is also directly contrary to SEBI's own findings in the Order/ Communication dated 30th December 2024 extracted hereinabove, which observations are unaffected by the Hon'ble High Court's order dated 23-09-2025 as, in Para 4 of the said order, the Hon'ble Court has expressly opined that the earlier orders of the SEBI will not be diluted in any manner by the said order of the Hon'ble High Court.

In view of what is stated aforesaid, we trust that the exchanges will, take necessary steps against KPCL, its Compliance Officer and its Board of Directors and deprecate such Corporate Communications which are replete with suppressions, misrepresentations, misleading statements and show scant respect even for Orders of the Hon'ble Bombay High Court.



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For this act of kindness, we shall ever pray.

We issue this letter without prejudice to our rights and contentions in the matter, as also our right to take appropriate action, if so advised.

Yours Faithfully,

Kirloskar Brothers Ltd.
(Authorised Signatory)



Cc.:

- 1) The Hon'ble Executive Director,
The Securities and Exchange Board of India,
SEBI Bhavan, Plot No. C4-A, G-Block,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051.
- 2) Kirloskar Pneumatic Company Ltd. ("KPCL"),
Hadapsar Industrial Estate,
Pune – 411 013, Maharashtra, India.