

23 May 2023

BSE Limited
Corporate Relationship Department
1st Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai 400 001.

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

BSE Scrip Code: 500243

NSE Scrip Code: KIRLOSIND

Dear Sir / Madam,

Sub.: Annual Secretarial Compliance Report for the year ended 31 March 2023

In terms of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8 February 2019 and pursuant to Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, please find enclosed Annual Secretarial Compliance Report duly issued and signed by a Practicing Company Secretary for the year ended 31 March 2023.

You are requested to take the same on your records.

Thanking you.

Yours faithfully,
For Kirloskar Industries Limited

Ashwini Mali
Company Secretary &
Compliance Officer

Encl: As above

**SECRETARIAL COMPLIANCE REPORT OF KIRLOSKAR INDUSTRIES LIMITED
FOR THE YEAR ENDED 31 MARCH 2023**

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Kirloskar Industries Limited** (CIN: L70100PN1978PLC088972) (hereinafter referred as '**the listed entity**'), having its Registered Office at Cello Platina, 801, Fergusson College Road, Pune 411005. Secretarial Review 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 listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that in my opinion, the listed entity has, during the review period covering the financial year ended on 31 March 2023, complied with the statutory provisions listed hereunder and also that the listed entity 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:

- (a) all the documents and records made available to us and explanation provided by **Kirloskar Industries Limited** (CIN: L70100PN1978PLC088972) ("**the listed entity**"),
- (b) the filings / submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document / filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31 March 2023** ("**Review Period**") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") and the Regulations, Circulars, Guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("**SEBI**");

The specific Regulations, whose provisions and the Circulars / Guidelines issued thereunder, have been examined including:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR 2015”);
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable as no such incidence during the review period**);
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable as no such incidence during the review period**);
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable as no such incidence during the review period**);
- (h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the Review Period); and
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and circulars/ guidelines issued thereunder.;

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations / Remarks by PCS*
1	<u>Secretarial Standards:</u> The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) as notified by the Central Government under Section 118(10) of the Companies Act, 2013 and mandatorily applicable.	YES	Nil
2	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> • All applicable policies under SEBI Regulations are adopted with the approval of the Board of Directors of the listed entity. 	YES	Nil

	<ul style="list-style-type: none"> All the policies are in conformity with SEBI Regulations and have been reviewed and timely updated as per the regulations/circulars/guidelines issued by SEBI. 		
3	<u>Maintenance and disclosures on website:</u> <ul style="list-style-type: none"> The listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the listed entity's website. Web-links provided in annual corporate governance reports under Regulation 27(2) of the SEBI LODR 2015 are accurate and specific which re-direct to the relevant document(s) / section of the listed entity's website. 	YES	Nil
4	<u>Disqualification of Director:</u> None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013, as confirmed by the listed entity.	YES	Nil
5	<u>Details related to Subsidiaries of listed entity have been examined w.r.t.:</u> a) Identification of material subsidiary companies. b) Disclosure requirement of material as well as other subsidiaries.	YES	Nil
6	<u>Preservation of Documents:</u> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per the Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR 2015.	YES	Nil
7	<u>Performance Evaluation:</u> The listed entity has conducted a performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations	YES	Nil

8	<u>Related Party Transactions:</u> a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions; b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit Committee.	YES NA	Nil Nil
9	<u>Disclosure of events or information:</u> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR 2015 within the time limits prescribed thereunder.	YES	Nil
10	<u>Prohibition of Insider Trading:</u> The listed entity is in compliance with Regulation 3(5) and 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	YES	Nil
11	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u> No Action has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	YES	Nil
12	<u>Additional Non-compliances, if any:</u> No additional non-compliance observed for all SEBI regulations/circulars/guidance notes, etc.	YES	Nil




Compliances related to the resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18 October, 2019:

S. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1	Compliances with the following conditions while appointing/re-appointing an auditor	NA	Nil
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or	NA	Nil
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or	NA	Nil
	iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	Nil
2	Other conditions relating to resignation of statutory auditor	NA	Nil
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:	NA	Nil
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	Nil
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee	NA	Nil

	<p>the details of information / explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	NA	Nil
3	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18 October 2019.	NA	Nil

*NA - Not applicable as no such incidence during the review period.

*Observations/Remarks by PCS are mandatory if the Compliance status is provided as 'No' or 'NA'

(a) (**) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

S. No.	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practising Company Secretary	Management Response	Remarks
Nil										



(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations / Remarks of the Practising Company Secretary	Management Response	Remarks
Nil										

(Note:

1. Provide the list of all the observations in the report for the previous year along with the actions taken by the listed entity on those observations.
2. Add the list of all observations in the reports pertaining to the periods prior to the previous year in case the entity has not taken sufficient steps to address the concerns raised/ observations.

E.g. In the report for the year ended 31st Mar, 2023, the PCS shall provide a list of:

- all the observations in the report for the year ended 31st Mar, 2022 along with the actions taken by the listed entity on those observations.
- the observations in the reports pertaining to the year ended 31st Mar, 2022 and earlier, in case the entity has not taken sufficient steps to address the concerns raised/ observations in those reports.)



MATTERS DEALT IN PREVIOUS REPORTING PERIOD & PRESENT STATUS THEREOF:

The following are the details of actions taken against the listed entity / its promoters / directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts / Regulations and Circulars / Guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	Securities Appellate Tribunal	As mentioned in the Order No. WTM/MPB/IVD/ID 1/141/2020 dated 20 October 2020 passed by SEBI ("SEBI Order 1") against the listed entity in relation to non-disclosure in 2010 to the stock exchanges of the decision to acquire shares of Kirloskar Brothers Limited in ("KBL") from certain promoters of KBL.	<p>The Hon'ble Securities Appellate Tribunal ("SAT") vide its common Order dated 12 October 2022 ("SAT Order") has set aside the SEBI Order 1 thereby exonerating the listed entity of the charges levied against it by SEBI under the SEBI Order 1. No appeal against the SAT Order has been filed by SEBI.</p> <p>Therefore, the matter stands disposed off.</p> <p>Pursuant to the passing of the SAT Order, the listed entity has also received a refund of the penalty amount deposited by it with SEBI under protest, on 11 January 2021.</p>	The listed entity has filed on 14 October 2022 with BSE and NSE, a copy of the SAT Order (uploaded on the website of the SAT on 14 October 2022) as a disclosure under Regulation 30 of the SEBI LODR 2015.



 ANKESH J. RISBUD
 FCS - 810
 CP - 185
 COMPANY SECRETARY

2.	Securities Appellate Tribunal	As mentioned in the Order No. WTM/MPB/IVD/ID 1/139/2020 dated 20 October 2020 passed by SEBI ("SEBI Order 2") against certain promoters and directors of the listed entity in relation to the investigation in respect of dealings in the scrip of KBL in 2010.	The Hon'ble SAT vide the SAT Order has set aside the SEBI Order 2, thereby exonerating the promoters and directors of the listed entity from the charges levied against them by SEBI under the SEBI Order 2. No appeal against the SAT Order has been filed by SEBI. Therefore, the matter stands disposed off.	The listed entity has filed on 15 October 2020 with BSE and NSE a copy of the SAT Order (uploaded at the website of the Securities Appellate Tribunal on 14 October 2022) as a disclosure under Regulation 30 of the SEBI LODR 2015.
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Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Signature:




Name - MAHESH JANARDAN RISBUD

Place: Pune

Date: --- 23rd May 2023

FCS No.: 810 CP No.: 185

UCN - S1981MH000400

PR - 1089/2021

UDIN: F000810E000356451