

14 November 2022

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

BSE Scrip Code: 500243

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

NSE Scrip Code: KIRLOSIND

Sir / Madam,

Subject: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In continuation of our intimation dated 11 November 2022, this is to inform you that the Company has issued a letter dated 14 November 2022 to Kirloskar Brothers Limited (“**KBL**”) in relation to the Extra Ordinary General Meeting (“**EGM**”) of the shareholders of KBL to be held on 8 December 2022 at 2.00 p.m. (IST) through Video Conferencing/Other Audio Visual Means (VC/OAVM) facility at the deemed venue i.e., at the registered office of KBL situated at Yamuna, S. No 98 (3 to 7) Plot No. 3, Baner, Pune-411 045, the contents of which are self-explanatory.

A copy of the said letter dated 14 November 2022 issued by the Company to KBL is enclosed herewith.

You are requested to take the same on record.

Thanking you.

For Kirloskar Industries Limited

Ashwini Mali
Company Secretary &
Compliance Officer

Enclosed: As above.

November 14, 2022


The Board of Directors
Kirloskar Brothers Limited
Yamuna, Survey No. 98 / 3 to 7,
Plot No. 3, Baner,
Pune – 411045, Maharashtra, India.

Subject: Requisition for convening of the Extra Ordinary General Meeting (“EGM”) of the shareholders of Kirloskar Brothers Limited (“KBL”) on December 8, 2022.

Dear All,

1. We, Kirloskar Industries Limited (“KIL”) refer to our special notice and requisition dated October 21, 2022 thereby requisitioning an EGM of the shareholders of KBL under Section 100(2)(a) and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (“EGM Requisition Notice”) pursuant to which you have proposed to hold the EGM of the shareholders of KBL on December 8, 2022.
2. We believe that it is important for the shareholders of KBL to have the benefit of perusing the complete EGM Requisition Notice along with its annexures so as to assist the shareholders of KBL understand the exact circumstances that led to the making of such requisition and make an informed decision at the time of casting their vote at the EGM. We therefore call upon the Board of Directors of KBL to ensure that the complete EGM Requisition Notice (along with the annexures) issued by KIL be annexed to the EGM notice which will be issued by KBL to all its shareholders in calling and convening the EGM on December 8, 2022.
3. KIL attaches herewith as **Annexure A**, a draft of the resolution that may be considered by the shareholders of KBL at the said EGM, which is in line with the EGM Requisition Notice, that KIL calls upon you to place before the shareholders of KBL at the scheduled EGM.

Yours faithfully
For and on behalf of Kirloskar Industries Limited



Mahesh Chhabria
Managing Director

Enclosed: As above.

Kirloskar Industries Limited
A Kirloskar Group Company

Mumbai Corporate Office: C-1, 1st floor, Wadia International Center,
Near Deepak Cinema, Worli, Mumbai- 400025
Tel: +91 9987060426

Regd. Office: Cello Platina, Office No. 801, Fergusson College Road, Shivajinagar, Pune- 411005
Tel: +91 (20) 29704374 | Fax: +91 (20) 29704374
Website: www.kirloskarindustries.com | CIN: L70100PN1978PLC088972

CC:

1. **Mr. Devang Trivedi, Company Secretary**
Kirloskar Brothers Limited
Yamuna, Survey No. 98 / 3 to 7,
Plot No. 3, Baner,
Pune – 411045, Maharashtra, India.
Email: secretarial@kbl.co.in
2. **Mr. Atul Kirloskar**
'Radha', 453, Gokhale Road,
Pune 411 016.
Email: atul.kirloskar@kirloskar.com
3. **Mr. Rahul Kirloskar**
Lakaki Compound, Model Colony,
Pune 411 016.
Email: rahul.kirloskar@kirloskar.com
4. **Sharp and Tannan,**
Statutory Auditor, Kirloskar Brothers Limited
Ravindra Annexe, 194, Churchgate Reclamation,
DinshawVachhaRoad, Mumbai – 400 020.
Email: contactus@sharp-tannan.com
5. **Ministry of Corporate Affairs**
Registrar of Companies, PCNTDA Green Building,
BLOCK A, 1st& 2ndFloor, Near Akurdi Railway Station,
Akurdi,Pune – 411044, Maharashtra.
Email: roc.pune@mca.gov.in

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Annexure A

Draft resolution to be placed at the EGM of KBL scheduled on December 8, 2022

1. **Appointment of an independent and reputed external entity as an independent forensic auditor for conducting a forensic audit to investigate and (i) verify the expenses incurred by Kirloskar Brothers Limited on legal, professional and consultancy charges over the past 6 (six) years, and the affairs of Kirloskar Brothers Limited; (ii) verify all records, books of accounts, minutes books, other documents of Kirloskar Brothers Limited; and (iii) examine the conduct of the Board of Directors of Kirloskar Brothers Limited including independent directors.**

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with rules made thereunder (**“the Act”**) (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), the consent of the members of Kirloskar Brothers Limited (**“KBL”**) be and is hereby granted to appoint M/s. [•], as an independent forensic auditor for conducting a forensic audit in the affairs of KBL for investigation and verification of all records, books of accounts, minutes books, other documents of KBL and the conduct of the Board of Directors of KBL including independent directors. The scope of the forensic audit would include but shall not be limited to investigation and verification of the following matters:

- 1.1. Has the KBL Board especially the independent directors of KBL verified the claims made by Mr. Sanjay Kirloskar in relation to the Deed of Family Settlement dated September 11, 2009 (**“DFS”**), in order to ensure that they have not been misled by the claims made by Mr. Sanjay Kirloskar? Has the KBL Board including independent directors sought any independent legal advice pertaining to the same especially in view of the pending personal disputes amongst the promoter family?
- 1.2. While Mr. Sanjay Kirloskar has been repeatedly claiming that KBL has taken the DFS on record, what steps have been taken by KBL to actually bind KBL with the DFS, in accordance with the provisions of applicable law?
- 1.3. Have the independent directors acted and approved filing of cases by KBL solely on the basis of claims made by Mr. Sanjay Kirloskar without actually verifying the locus or the benefit to KBL for initiating these cases? Have the independent directors analyzed the locus, benefits or reasons for initiation of cases by KBL? If yes, whether the same has been recorded in the minutes of KBL Board meetings?
- 1.4. KBL and Mr. Sanjay Kirloskar have filed various pleadings / affidavits before different fora wherein they have claimed that KBL has suffered losses of dramatically different but large

amounts, all arising out of the same cause of action, arising out of an alleged breach of the DFS. Have the independent directors verified the veracity of such claims?

- 1.5. KBL has sworn on Affidavit that KBL is suffering a loss of INR 1 crore per day due to the alleged breach of the DFS. It appears that KBL may have been making such large profits prior to the occurrence of such alleged breaches and only then it could have claimed to suffer the loss as a consequence of the alleged breach. However, the audited financial statements of KBL do not even appear to reflect such high profits of KBL. Has this claim of KBL been verified by the independent directors of KBL prior to the statement being made on oath?

The pleadings / affidavits filed by KBL and Mr. Sanjay Kirloskar as attached to the notice and agenda of this extra-ordinary general meeting are noted by the members and shall be shared with the independent forensic auditor along with other annexures to the said notice and agenda.

- 1.6. Is there a status report in relation to the cases setting out the expenses, merits, justifying the benefits to KBL, and subsequent legal strategy, prepared by the management and circulated to the independent directors for their approval and appraisal?
- 1.7. Are the independent directors aware of KBL funding cases/litigations by third parties? If so, KBL should provide the details?
- 1.8. As per the recent news publications quoted above, KBL has admittedly spent an amount of INR 70 Crores towards tax matters, labour matters, arbitration pertaining to project business, cases related to domestic and international projects, patents, property documents and for overseas business. However, none of the abovementioned matters appear or have been referred to in the said expenses. Therefore, how much money out of the said INR 70 crores has been expended towards such cases?

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to authorise M/s. [•], an independent forensic auditor to seek appropriate explanations from the Board of Directors of Kirloskar Brothers Limited on the abovementioned questions and forensically verify the explanations so provided and upon the completion of the audit, the independent forensic auditor shall submit its report in writing directly to the shareholders of Kirloskar Brothers Limited while ensuring that the same is not tampered with, within a period of 60 (sixty) days from the date of the EGM.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to pay INR [•] to M/s. [•], the independent forensic auditor, as fee for the conduct of the forensic audit.

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RESOLVED FURTHER THAT any of the Directors of Kirloskar Brothers Limited be and are hereby severally authorised to make available the necessary information, resources and documentation to the independent forensic auditor so appointed to ensure timely completion of the audit and the issuance of the forensic audit report, and to take all such actions and steps as required under the provisions of the Companies Act, 2013 and the rules framed thereunder and any other applicable provisions of law, to give effect to the aforesaid resolution including but not limited to making appropriate filings with the Registrar of Companies and disclosures with the stock exchanges under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to do all such other acts, deeds and things as may be necessary or incidental to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of Kirloskar Brothers Limited, be and are hereby severally authorized to issue a certified true copy of the aforesaid resolution to such authorities and / or persons as may be necessary to give effect to this resolution.”