23 July 2026

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: Business Responsibility and Sustainability Report

Pursuant to Regulations 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with the relevant SEBI Circular(s) as issued from time to time, we are submitting herewith the Business Responsibility and Sustainability Report for Financial Year 2025- 2026, which forms an integral part of the Annual Report for Financial Year 2025-2026, submitted to the Exchanges dated 23 July 2026.

You are requested to take the same on your records.

Thanking you

Yours faithfully,

For Kirloskar Industries Limited

ashwini vijay mali
Digitally signed by ashwini vijay mali
Date: 2026.07.23 18:02:43 +05'30'

Ashwini Mali
Company Secretary&
Compliance Officer

Encl.: As above

Business Responsibility and Sustainability Report (BRSR)

At Kirloskar Industries Limited (KIL), sustainability means building a shared future for greater success and a more equitable society. KIL is committed to making a positive impact on the environment, society, and the economy with conviction and care. The Business Responsibility and Sustainability Report (BRSR) exemplifies this commitment, transparently communicating KIL's performance to stakeholders.

As a responsible corporate citizen, KIL believes in inclusive growth. The Company strives to accelerate India's transition to a developed economy and create value for the nation by elevating the quality of life across the entire socio-economic spectrum. In keeping with the Company's commitment to responsibility and accountability towards all its stakeholders, the Company is pleased to present its Business Responsibility and Sustainability Report (BRSR) for the year ended 31 March 2026. This report conforms to the BRSR requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR) and the National Guidelines on Responsible Business Conduct (NGRBC) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs (MCA), India.

Section A	General Disclosures
Section B	Management and Process Disclosures
Section C	Principle-wise Performance Disclosures
Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
Principle 2	Businesses should provide goods and services in a manner that is sustainable and safe.
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains.
Principle 4	Businesses should respect the interests of and be responsive to all its stakeholders.
Principle 5	Businesses should respect and promote human rights.
Principle 6	Businesses should respect and make efforts to protect and restore the environment.
Principle 7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
Principle 8	Businesses should promote inclusive growth and equitable development.
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Company**	L70100PN1978PLC088972
2.	**Name of the Company**	Kirloskar Industries Limited (KIL)
3.	**Year of Incorporation**	1978
4.	**Registered office address**	One Avante, Level 14, Karve Road, Kothrud, Pune - 411038
5.	**Corporate office address**	One Avante, Level 14, Karve Road, Kothrud, Pune - 411038
6.	**E-mail**	investorrelations@kirloskar.com
7.	**Telephone**	020-69065007
8.	**Website**	www.kirloskarindustries.com
9.	**Financial year for which reporting is being done**	2025-2026
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	₹ 10.51Crores
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Reporting**	Name: Mrs. Ashwini Mali, Company Secretary and Compliance Officer Telephone: 020-69065007 Email: ashwini.mali@kirloskar.com
13.	**Reporting boundary**	The disclosures under this Report are made on a standalone basis. The BRSR Report of Kirloskar Ferrous Industries Limited (KFIL), a material subsidiary of the Company, is available at www.kirloskarferrous.com Notes in this Report contain additional information about Avante Spaces Limited (Avante), a Wholly-Owned subsidiary of the Company. Value Chain reporting covering partners contributing 2% of the purchases or sales value, cumulative covering upto 75% of total value has been done and annexed as Annexure A to the BRSR.
14.	**Name of assessment or assurance provider**	BDO India Services Private Limited
15.	**Type of assessment or assurance obtained**	Reasonable Assurance of BRSR Core Indicators for the Financial Year 2025-2026.

II. Products/Services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	%of the Turnover of the entity
1	Investments (Properties and Securities)	Investing in group companies, securities, and leasing of properties	97%
2	Wind Power Generation	The Company sells its generated wind power units to third-party consumers.	3%

17. Products/Services sold by the entity (accounting for 90% of the turnover):

Sr. No.	Product/Services	NIC Code	%of total turnover contributed
1	Investments (Properties and Securities)	681001	97%
2	Wind Power Generation	351203	3%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated as on 31 March 2026:

Sr. No.	Location	Number of plants	Number of offices	Total
1.	**National** **Office:** **1. Registered Office:** One Avante, Level 14, Karve Road, Kothrud, Pune 411038 **2. Mumbai Office** **Plant:** **Bopodi Plant:** Laxmanrao Kirloskar Road, Khadki, Pune 411003 ***Windmill Plant:** Tirade Village, Tal. Akole, Dist. Ahmednagar	2	2	4
2.	**International**	0	0	0

*As reported in earlier years, the Company had divested its windmill business on a going-concern basis to ISMT Limited as part of its strategic objective of focusing on its core real estate business and that of its Wholly-Owned Subsidiary, while optimising returns on its investment portfolio.

Pursuant to the Scheme of Arrangement and Merger under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, approved by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated 24 July 2024, ISMT Limited was amalgamated with Kirloskar Ferrous Industries Limited. Upon the Scheme becoming effective on 8 August 2024, the business undertakings and operations of ISMT Limited, including the windmill business acquired from the Company, stood transferred to and vested in Kirloskar Ferrous Industries Limited.

Subject to receipt of the requisite statutory approvals and permissions, the windmill business shall henceforth be operated and managed by Kirloskar Ferrous Industries Limited.

Pending completion of the necessary formalities, the windmill business has been classified as a discontinuing operation in accordance with applicable Accounting Standards.

19. Markets served by the entity

a. Number of locations served:

Sr. No.	Number of Locations served	Number
1.	National (Number of states)	1
2.	International (Number of countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers:

The Company hold stakes in various businesses within the Kirloskar Group, including two subsidiaries viz., Avante Spaces Limited, a Wholly-Owned Subsidiary focused on real estate, and Kirloskar Ferrous Industries Limited, a material subsidiary of the Company engaged in the manufacturing of pig iron, castings, steel and seamless tubes. This diversified portfolio, along with a strategic focus on leveraging investments and pursuing diversification, positions us to support the enhanced performance and sustainable growth of these companies.

The Company also owns lands and buildings thereon and offices in Pune, Jaipur and Delhi. The Company has given most of these lands and buildings and offices on a leave and license basis to group companies and others.

IV. Employees and Workers (including differently abled)

20. Details as at the end of the Financial Year:

a. Employees and workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	21	13	62	8	38
2.	Other than permanent (E)	1	NA	0	1	100
3.	**Total employees (D+E)**	**22**	**13**	**59**	**9**	**41**
Workers: The Company does not have any Workers under employment						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total workers (F+G)**	**0**	**0**	**0**	**0**	**0**

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A) (C)		% (C/A)
Differently abled Employees						
1.	Permanent (D)	0	0	0	0	0
2.	Other than permanent (E)	0	0	0	0	0
3.	**Total Differently abled employees (D+E)**	**0**	**0**	**0**	**0**	**0**
Differently abled Workers:						
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total Differently abled workers (F+G)**	**0**	**0**	**0**	**0**	**0**

21. Participation / Inclusion / Representation of women:

Particulars	*Total	No. and percentage of Females	
	No. (A)	No. (B)	% (B/A)
Board of Directors	12	3	25
Key Management Personnel (KMPs)	**4	2	50

*As on 31 March 2026, the Board comprised a total of 12 members.

**As on 31 March 2026, 2 out of the 4 Key Managerial Personnel (KMP) were members of the Board.

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

Category	FY 2026 (Turnover rate in current FY)			FY 2025 (Turnover rate in previous FY)			FY 2024 (Turnover rate in the year prior to the previous FY)		
	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)	Male (%)	Female (%)	Total (%)
Permanent employees	50	29	42	0	46	18	0	6	6
Permanent workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

23. Names of holding / subsidiary / associate companies / joint ventures:

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Kirloskar Ferrous Industries Limited	Subsidiary	45.93	No
2	Avante Spaces Limited	Subsidiary	100.00	NA
3	Kirloskar Brothers Limited	Associate	23.91	No

VI. CSR details

i. Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

ii. If yes, Turnover – ₹ 127 Crores

iii. Net worth – ₹ 1,581.23 Crores

VII. Transparency and Disclosure Compliance

24. Complaints / Grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2026			FY 2025		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0		0	0	
*Investors (other than shareholders)	Yes	0	0	Refer Notes	0	0	Refer Notes
*Shareholders	Yes	6	0		5	0	
**Employees and workers	Yes	0	0	Refer Notes	0	0	Refer Notes
Customers	Yes	0	0		0	0	
Value Chain Partners	Yes	0	0		0	0	

*No other securities except equity shares are issued by the Company

**Mechanism like PoSH Committee, Ethics Helpline and New Joiners' Induction which takes care of Induction to process, Policies and leadership teams, Alternate Year Employee Engagement Survey, Quarterly MD communication etc., provides employees the platform to raise grievances, if any.

All the above-mentioned stakeholders can lodge a complaint through the Company's Whistle-Blower Policy – Vigil Mechanism.

(weblink – https://www.kirloskarindustries.com/documents/779558/6d0b6d5d-273f-c17b-82dd-0da343279f24)

or through the Grievance Redressal Policy

(weblink - https://www.kirloskarindustries.com/documents/779558/6fbd7f67-ba84-b985-4a3d-84449d838e94).

25. Overview of the entity's material responsible business conduct issues:

Material issues were identified through a materiality reassessment conducted by an independent third-party agency involving key stake holders, including dealers and customers, suppliers, employees, Senior Management, Board members and investors.

The materiality reassessment identified the following key material issues for the Company's business:

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance	Risk and Opportunity	The Company recognises strong corporate governance as a strategic enabler that supports effective oversight, disciplined capital stewardship and long-term value creation. A transparent, well-structured governance framework strengthens accountability, enhances the quality of decision-making and reinforces stakeholder confidence. Conversely, gaps or weaknesses in governance can expose the Company to significant risks, including regulatory non-compliance, reputational damage, weakened investor confidence and suboptimal strategic outcomes. Hence, robust governance is particularly critical in maintaining credibility with investors, regulators and other stakeholders, ensuring that leadership actions remain consistently aligned with the Company's long-term strategy, values and responsibilities.	The Company seeks to continuously strengthen governance practices through a structured and well-defined framework aligned with the Companies Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations and evolving best practices. The Board, comprising an appropriate mix of executive, non-executive and Independent Directors, provides strategic direction and oversight, supported by key committees and policies and guide ethical conduct, transparency and accountability. Periodic Board and committee evaluations, strong internal and secretarial audit mechanisms and robust internal financial controls further reinforce governance effectiveness.	**Positive:** Strong governance supports sustainable growth, improves access to capital, enhances market credibility and strengthens long-term shareholder value. **Negative:** Weak governance could result in regulatory penalties, litigation costs, reputational damage.
2	Business Ethics	Risk and Opportunity	Business ethics is a foundational pillar for trust, transparency and long-term value creation at the Company. Ethical conduct supports responsible decision-making, reinforces stakeholder confidence and underpins the credibility of leadership actions. A consistent ethics framework enables the Company to operate with integrity, meet regulatory expectations and align organisational behaviour with Kirloskar values, thereby strengthening its reputation and governance culture. At the same time, failures or lapses in ethical conduct can pose substantial risks, including regulatory penalties, legal exposure, reputational damage and erosion of stakeholder trust. Maintaining strong business ethics is therefore critical not only to mitigate these risks but also to create opportunities for enhanced credibility, resilient stakeholder relationships and sustainable growth.	The Company promotes ethical conduct through a clearly articulated Code of Conduct applicable to Directors, Senior Management and employees, supported by policies such as the Whistleblower Policy, Insider Trading Code and mechanisms for reporting unethical behaviour without fear of retaliation. Regular awareness initiatives, disclosures, internal controls and oversight by the Board and relevant committees reinforce ethical compliance. The Audit Committee and Board periodically review related-party transactions and compliance frameworks to ensure alignment with statutory requirements and evolving governance standards.	**Positive:** Strong business ethics enhances market credibility, improves investor confidence, supports sustainable growth and strengthens long-term shareholder value by reducing compliance uncertainty and reinforcing responsible capital stewardship. **Negative:** Weak ethical practices could result in regulatory penalties, litigation costs, reputational damage and loss of stakeholder trust, adversely impacting financial performance and valuation.

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Human Capital Development	Opportunity	Human capital is a key driver of organisational effectiveness, leadership continuity and long-term value creation. Investing in employee capability, leadership development, succession planning, diversity and inclusion strengthens institutional knowledge, enhances decision-making quality and supports business resilience. A strong focus on human capital enables the Company to build a future-ready workforce aligned with its strategic priorities, values and governance standards, while fostering a culture of accountability, integrity and continuous improvement.	The Company advances human capital development through structured talent management practices encompassing workforce planning, learning and development, leadership development and succession planning. Policies governing fair employment practices, diversity and inclusion, employee well-being and ethical conduct support an inclusive and performance-oriented culture. Continuous skill-building initiatives, leadership programmes and regular performance evaluations aim to strengthen capability at all levels. Oversight by Senior Management and relevant Board committees ensures alignment between people strategy, long-term objectives and governance expectations.	**Positive:** Effective human capital development enhances productivity, supports leadership continuity, improves operational effectiveness and strengthens long-term business performance. **Negative:** Weak human capital practices could lead to higher attrition, skill gaps, leadership disruptions and reduced employee engagement.
4	Human Rights	Risk	As a holding company, the Company's exposure to human rights risks extends beyond its own workforce to include its subsidiaries. Inadequate safeguards related to fair labour practices, safe and dignified working conditions, non-discrimination and prevention of harassment across the broader business ecosystem could result in regulatory scrutiny, reputational damage and erosion of stakeholder trust. Increasing stakeholder and regulatory expectations around responsible business conduct further heightens the materiality of human rights as a risk area.	The Company has put in place policy frameworks and governance mechanisms that promote ethical conduct and respect for individuals across its operations, subsidiaries and strategic investments. Instruments such as the Code of Conduct, Human Rights Policy, Prevention of Sexual Harassment (POSH) Policy and Whistleblower Policy establish baseline expectations on behaviour and compliance within its operations. Oversight by Senior Management and the Board, periodic reviews, internal controls and awareness initiatives support consistent implementation, while engagement with subsidiaries encourages alignment with applicable laws and recognised human rights standards.	**Positive:** Effective management of human rights risks strengthens stakeholder confidence, enhances workforce stability and protects long-term reputation across the value chain. **Negative:** Weak oversight of human rights practices could lead to regulatory penalties, litigation costs, reputational damage and operational disruptions within subsidiaries, adversely impacting financial performance and stakeholder confidence.

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Circular Economy	Risk and Opportunity	Circular economy practices are increasingly relevant across the Company's ecosystem of Subsidiary companies, given rising regulatory expectations, resource constraints and stakeholder focus on sustainability. Inefficient use of materials, inadequate waste management or limited adoption of circular practices may expose the Company to environmental compliance risks, cost inefficiencies and reputational concerns. At the same time, integrating circular economy principles presents an opportunity to enhance resource efficiency, support resilient business models and improve environmental performance across the investment portfolio.	The Company addresses the circular economy through efforts focusing on encouraging efficient resource utilisation, waste reduction, reuse and recycling practices, and life cycle thinking where applicable. Sustainability considerations are integrated into ESG related discussions at the Management and Board level, with periodic reviews to ensure alignment with regulatory developments, industry practices and long-term value creation objectives. The Company has in place an Environment, Social and Governance Policy that is committed to promoting a circular economy by the reutilisation of resources and thereby reducing waste generation at source.	**Positive:** Effective adoption of circular economy practices can reduce resource related costs, improve operational efficiency, enhance environmental performance and strengthen stakeholder confidence. **Negative:** Weak integration of circular economy principles may lead to higher material and waste management costs, increased regulatory exposure, operational inefficiencies and adverse stakeholder perception.
6	Responsible Investment	Risk and Opportunity	As a holding company, investment decisions and capital allocation practices directly influence the long-term financial performance, risk profile and sustainability outcomes of subsidiaries. Inadequate consideration of environmental, social and governance factors in investment decisions may expose the Company to financial, regulatory and reputational risks through underperforming or non-compliant investments. Conversely, integrating responsible investment principles strengthens capital stewardship, aligns investments with long-term value creation objectives and enhances stakeholder confidence.	The Company seeks to embed responsible investment principles into its governance and decision-making processes by encouraging the consideration of ESG factors alongside financial performance when evaluating and overseeing investments in subsidiaries. Board-level oversight, risk management frameworks and periodic performance reviews support informed capital allocation and monitoring of subsidiary performance. Engagement with subsidiaries promotes alignment with ethical standards, governance expectations and long-term strategic priorities, while oversight mechanisms help identify and address emerging risks.	**Positive:** Responsible investment practices support sustainable growth, improve risk-adjusted returns, enhance stakeholder and investor confidence and strengthen long-term shareholder value through disciplined capital allocation. **Negative:** Weak integration of responsible investment considerations could lead to capital misallocation, increased exposure to regulatory, ESG or reputational risks.

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Data Privacy and Cybersecurity	Risk	As digital systems, information flows, and data dependencies increase across the Company's own operations as well as those of its subsidiaries, data privacy and cybersecurity risks have become increasingly material. Unauthorised access, data breaches, cyberattacks or failure to comply with applicable data protection regulations could lead to legal liability, operational disruptions and reputational harm. Given heightened regulatory scrutiny and stakeholder expectations around data protection, inadequate cybersecurity controls pose a significant governance and business risk.	The Company has implemented appropriate governance oversight, internal controls and policy frameworks that promote secure handling of information and responsible use of data. Oversight by Senior Management and the Board supports monitoring of cyber and data related risks, while internal controls, access management practices and periodic reviews aim to strengthen resilience. Engagement with subsidiaries encourages adoption of sound cybersecurity practices and compliance with applicable data protection laws, supporting a consistent risk management approach across the broader business ecosystem.	**Positive:** Strong management of data privacy and cybersecurity risks enhances stakeholder trust, protects sensitive information, supports business continuity and safeguards long-term reputation. **Negative:** Weak cybersecurity or data protection practices could result in regulatory penalties, litigation costs, financial losses, operational disruptions and reputational damage.
8	Transparent Disclosures	Risk	Inadequate, inconsistent or delayed disclosures across the Company or subsidiaries could expose the Company to regulatory scrutiny, reducing stakeholder confidence and could lead to reputational risk. As disclosure requirements continue to evolve, particularly in relation to governance, ESG and financial reporting, lack of transparency may impair stakeholder trust and limit the ability of investors and other stakeholders to make informed decisions. This makes transparent disclosures a material risk area for the Company.	The Company seeks to manage disclosure related risks through structured governance oversight, robust internal controls and adherence to applicable statutory and regulatory reporting requirements. Policies governing disclosure of material information, fair disclosure practices and oversight by the Board and relevant committees support accuracy, consistency and timeliness. Regular reviews of disclosure practices, internal and secretarial audits and engagement with subsidiaries aim to ensure alignment with regulatory expectations and promote transparency across the broader business ecosystem.	**Positive:** Strong disclosure practices enhance stakeholder trust, improve market confidence, support informed decision making and contribute to long-term value creation through strengthened credibility and governance standards. **Negative:** Weak or inconsistent disclosures could result in regulatory penalties, litigation exposure, reputational damage and loss of stakeholder confidence.
9	Stakeholder Engagement	Risk and Opportunity	Effective engagement with key stakeholders, including employees, shareholders, regulators, subsidiaries and communities, is critical to maintaining trust, transparency and long-term business resilience. Inadequate or inconsistent stakeholder engagement may result in misaligned expectations, reputational risk and regulatory challenges. Conversely, structured and meaningful engagement provides an opportunity to build trust, anticipate emerging risks, strengthen relationships and support informed decision making across the Company's broader business ecosystem.	The Company sees stakeholder engagement as a strategic priority and manages it through defined engagement frameworks, transparent communication channels and regular interactions with identified stakeholder groups. Governance oversight by Senior Management and the Board supports alignment of stakeholder concerns with strategic and ESG priorities. Ongoing dialogue, disclosures and feedback mechanisms help identify emerging issues early, while engagement with subsidiaries encourages consistent practices and responsiveness across the wider business ecosystem.	**Positive:** Effective stakeholder engagement strengthens trust, enhances market credibility, supports risk identification, improves decision making and contributes to sustainable growth and long-term shareholder value. **Negative:** Weak or ineffective stakeholder engagement could lead to reputational damage, loss of investor confidence, regulatory challenges and increased conflict or misalignment with stakeholders, potentially impacting financial performance and long-term value.

Sr. No.	Material issue identified	Is it risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Climate Change	Risk and Opportunity	Climate change poses material, physical and transition risks across the Company's ecosystem of subsidiary companies. These risks include exposure to evolving climate regulations, carbon related policies, energy and resource cost volatility, physical impacts of extreme weather events and increasing stakeholder expectations on climate accountability. Inadequate assessment or management of climate related risks could affect business continuity, asset value and long-term resilience, making climate change a significant risk area for the Company. Proactively addressing climate change also presents significant opportunities to enhance operational efficiency, strengthen climate resilience, reduce long-term costs and align the Company with emerging regulatory and market expectations. Effective climate risk management, supported by responsible transitions and strategic investments, can reinforce stakeholder trust, support sustainable growth and improve the Company's ability to create long-term value.	The Company seeks to mitigate climate related risks through governance oversight, integration of climate considerations into risk management and ESG discussions. Emphasis is placed on monitoring regulatory developments, encouraging energy efficiency and emissions management measures where applicable, and strengthening climate awareness within decision making processes. Oversight by Senior Management and the Board supports identification, monitoring and management of climate related risks in the context of long-term value protection.	**Positive:** Effective management of climate related risks enhances business resilience, supports business continuity, protects asset value and strengthens stakeholder confidence. **Negative:** Inadequate management of climate risks could result in higher operating costs, regulatory penalties, asset impairment, supply chain disruptions and reputational damage across own operations and subsidiaries.
11	Community Relations	Opportunity	Strong community relations provide an opportunity to build trust, enhance social license to operate and strengthen the Company's long-term reputation. Meaningful engagement with local communities supports inclusive growth, helps address social expectations and fosters positive relationships that contribute to business resilience and stakeholder confidence. Proactive community engagement also aligns with responsible business practices and broader sustainability objectives.	The Company seeks to strengthen community relations through policy guidance and governance oversight to encourage responsible and inclusive community focused initiatives. Community development efforts are guided by CSR frameworks and aligned with identified social priorities, with oversight by Senior Management and the Board. Periodic reviews and stakeholder engagement mechanisms help ensure that community initiatives are implemented responsibly, create shared value and remain aligned with regulatory and societal expectations.	**Positive:** Strong community relations enhance corporate reputation, build stakeholder trust, support long-term sustainability and strengthen the Company's social license to operate. **Negative:** Weak or ineffective community engagement could lead to community opposition, reputational damage, increased regulatory or social scrutiny and disruptions.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements. These are briefly as under:

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Policy and Management processes

Sr. No.		Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Processes											
1.	**(a)**	**Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
	(b)	**Has the policy been approved by the Board? (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
	(c)	**Web Link of the Policies, if available**	Policies are uploaded on the Company's website at https://www.kirloskarindustries.com/investors/policies and on the Company's intranet.								
			ESG Policy: https://www.kirloskarindustries.com/documents/779558/5a9c4dfa-fbbf-f546-0a7d-7552b8b1da63.								
			Stakeholder Engagement Policy: https://www.kirloskarindustries.com/documents/779558/3c48654b-8913-dd55-38c6-d54ed18aa5e3.								
			Grievance Redressal Policy https://www.kirloskarindustries.com/documents/779558/6fbd7f67-ba84-b985-4a3d-84449d838e94.								
			Human Right Policy https://www.kirloskarindustries.com/documents/779558/d51e87b6-54dc-bd5e-2fbb-0d7451e72107.								
			Policy for Familiarization Programme of Director https://www.kirloskarindustries.com/documents/779558/b1292916-b21e-1223-ad11-2b65eb2601ba.								
			Whistleblower / Vigil Mechanism https://www.kirloskarindustries.com/documents/779558/6d0b6d5d-273f-c17b-82dd-0da343279f24								
			Policies for Determination of Material Event https://www.kirloskarindustries.com/documents/779558/c1346f8c-9f56-5011-58c9-7a6f68f7dd02.								
			Business Continuity Policy https://www.kirloskarindustries.com/documents/779558/a2815d8f-f78c-42aa-8c11-39b8152a5758.								
			Policy for Preservation of Documents https://www.kirloskarindustries.com/documents/779558/edc27973-a4c0-6f89-ca24-0ef9ddb186fc.								
			Nomination and Remuneration Policy https://www.kirloskarindustries.com/documents/779558/d5e8720f-4c95-0b6c-0404-26f8d5696ed4								
			Risk Management Policy https://www.kirloskarindustries.com/documents/779558/ad36a236-8238-99ab-0455-e976710e429c.								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Dividend Distribution Policy https://www.kirloskarindustries.com/documents/779558/f226fda0-971c-110f-7fe7-086920ce9c7e.								
		Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions https://www.kirloskarindustries.com/documents/779558/92938335-921d-7735-c000-80d9f8d1fe4b								
		Policy of Material Subsidiaries https://www.kirloskarindustries.com/documents/779558/47e43b46-5d2a-2dc5-9b1e-5cfb2ee10b80								
		Corporate Social Responsibility Policy https://www.kirloskarindustries.com/documents/779558/d3935dbc-7ddf-9a35-bb7e-059f595e1057								
		Business Responsibility Policy https://www.kirloskarindustries.com/documents/779558/97821225-0c4a-42a6-d96c-74c98c9f943a								
		Archival Policy https://www.kirloskarindustries.com/documents/779558/74f2cb79-1d5b-9bbf-aae5-d81638610c0a								
2.	**Whether the entity has translated the policy into procedures. (Yes / No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company strives to influence its value chain to participate in responsible and sustainable business conduct. During the year, the Company organised a training programme for its value chain partners to familiarise them with BRSR Core requirements and reinforce the adoption of responsible business practices aligned with the Company's sustainability commitments throughout the value chain.								
4.	**Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	Policies have been developed considering relevant Acts like The Companies Act, 2013, SEBI (Listing Obligations and Requirements) Regulations, 2015 and other applicable Acts, Rules and Regulations. Avante Spaces Limited (Avante), our Wholly-Owned Subsidiary, has been awarded the prestigious Platinum Certification by the Indian Green Building Council (IGBC), for its maiden commercial project, 'One Avante' at Avante Business Park Phase-I, underscoring its leadership in sustainable design, construction and operations. The term "Platinum IGBC Green Building Rating" refers to the highest level of certification awarded by the IGBC for green buildings in India. The IGBC offers a rating system for evaluating the sustainability and environmental performance of buildings, which includes various criteria such as site selection, water efficiency, energy efficiency, materials used, indoor environmental quality, and innovation. Additionally, Avante was also recognised with a Diamond Award for excellence in water management by iNFHRA. Further, during the year Financial Year 2025-2026, One Avante has received three ISO certifications, which is a formal recognition of our commitment to international standards and operational excellence. This includes ISO 9001:2015 (Quality Management System), ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health & Safety). Avante is currently developing its second project, 'Infinia' at Avante Business Park Phase -II, where sustainability remains a core focus area with the project being designed to meet the highest standards of green building and environmental performance. The project has received Platinum pre-certification from USGBC and IGBC. These achievements reflect Avante's commitment towards sustainable development and building a legacy that protects the environment.								

Sr. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	**Specific commitments, goals and targets set by the entity with defined timelines, if any.**	Kirloskar Industries Limited (KIL/the Company), as an unregistered Core Investment Company (CIC), does not have significant operating activities of its own. However, through its role as a promoter and strategic investor within the Kirloskar Group, KIL supports and encourages the integration of sustainability principles across its portfolio companies. The Company's key commitment is to promote responsible and sustainable growth by supporting investments in initiatives related to energy efficiency, renewable energy adoption, emissions reduction, water stewardship, waste management, and resource conservation. KIL also encourages its portfolio companies to align their sustainability strategies with national and global climate objectives, including India's commitment to achieve net-zero emissions by 2070. Specific ESG targets and timelines are established and monitored at the operating company level, based on the nature of their businesses and material sustainability priorities. Details of these commitments, goals, and targets are disclosed in the respective annual reports and sustainability disclosures of the Company's subsidiaries and associate companies.								
6.	**Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.**	Not Applicable								
Governance, leadership, and oversight										
7.	**Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)**	Please refer to the message from the Leadership Desk (Chairman and Managing Director)								
8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	Mr. George Verghese, Managing Director DIN 11068946 020-69065007 Mr. George Verghese, Managing Director, oversees the implementation of Business Responsibility policies and reports to the Board on the progress made by the Company in its ESG journey.								
9.	**Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Yes. The Company has formulated ESG Governance Structure within the Company, which is overseen by the Independent Directors Committee at the Kirloskar Group level. The Company Management is also a part of the ESG Core Committee of the Company. The details are mentioned on page no. 31								
10.	**Details of Review of NGRBCs by the Company:**									

	Subject for Review	a. Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y

	Subject for Review	b. Frequency (Annually/ Half yearly/ Quarterly / Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
		As a practice, all the policies of the Company are reviewed periodically or on a need basis and placed before the Board of Directors, as and when required. During the evaluation, the effectiveness of these Policies is examined, and any necessary adjustments to the policies and procedures are put into place. Additionally, the policies are regularly updated and amended to align with changes in the provisions and regulations under the Companies Act, 2013, SEBI (LODR), or any other applicable laws or regulations.								
2	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Company follows the extant regulations as applicable.								

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	The Company has evaluated its policies internally. They are reviewed on a periodic basis as mentioned above.								

Y-Yes, N-No, NA-Not Applicable

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Not applicable (all Principles are covered through various policies.)

	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	**The entity does not consider the principles material to its business (Yes/No)**	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	**The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)**	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	**The entity does not have the financial or/human and technical resources available for the task (Yes/No)**	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	**It is planned to be done in the next financial year (Yes/No)**	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	**Any other reason (please specify)**	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities that aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Sr. No.	Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
1	Board of Directors	5	All Board Members are made aware of all the latest applicable legal, regulatory and business developments / updates, by way of presentations where Directors have an opportunity to interact with Key Management Personnel. Presentations cover, *inter alia*, quarterly and annual results, budgets, review of internal audit report, information on business performance, operations, financial parameters, senior management change, major litigations, compliances, risk assessment and minimisation procedures and regulatory scenarios and such other areas as may arise from time to time. The details about information on business performance, operations and financials of subsidiary companies are also forming part of the presentation. Further, awareness was created on ESG initiative progress, ESG vision and roadmap and BRSR statutory updates. Training and Familiarisation Programme for Directors: https://www.kirloskarindustries.com/documents/779558/3a8df029-c551-d45d-ee1c-f7ba9dc02b4e	100
2	Key Managerial Personnel*	5		100
3	Employees other than BOD and KMPs	48	Training and awareness programmes covered knowledge, skill and behavioural areas pertaining to safety, health and environment, Employee Code of Conduct, LinkedIn Platform(e-Learning Management System), POSH (Prevention of Sexual Harassment) and Regulatory Compliances.	100
4	Workers	NA	NA	NA

*2 Out of 4 KMPs are also Board Members as on 31 March 2026.

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by its Directors / KMPs) with regulators / law enforcement agencies / judicial institutions in the financial year

(Note: The entity shall make disclosures on the basis of materiality on the basis of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's Website):

Not Applicable as there were no such instances during the Financial Year 2025-2026.

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed

Not applicable (refer to Principle 1 Essential Indicator No. 2 above).

4. Does the entity have an anti-corruption policy or antibribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company and its subsidiaries have zero tolerance for unethical business practices, and through necessary policies and codes, they forbid bribery and corruption in all of their commercial operations.

The Company has Whistle-Blower Policy – Vigil Mechanism (Policy) to govern its operations. The Policy expects employees and any person dealing with the Company to be ethical, accountable and transparent in their conduct with discharging their respective duties. It also addresses issues such as Unpublished Price Sensitive Information (UPSI). The whistle-blower has access to the Ethics Committee / Ombudsman / Counsellor of the Company.

Web-link of Whistle-Blower Policy –

https://www.kirloskarindustries.com/documents/779558/6d0b6d5d-273f-c17b-82dd-0da343279f24

5. Number of Directors / KMPs / Employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption

Sr. No.	Segment	FY 2026	FY 2025
1	Directors	0	0
2	Key Managerial Personnel	0	0
3	Employees	0	0
4	Workers	0	0

6. Details of complaints with regard to conflict of interest

	Segment	FY 2026		FY 2025	
		Number	Remarks	Number	Remarks
1	Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
2	Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

Not applicable (refer to Principle 1 Essential Indicators No. 5 and 6).

8. Number of days of accounts payables (Accounts payable*365) / Cost of goods / service procured) in the following format:

	FY 2026	FY 2025
Number of days of accounts payables	04	07

9. Openness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties, along-with loans and advances and investments, with related parties:

Parameter		Metrics	FY 2026	FY 2025
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	NA	NA
	b.	Number of trading houses where purchases are made from	NA	NA
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	NA	NA
	b.	Number of dealers / distributors to whom sales are made	NA	NA
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a.	Purchases (Purchases with related parties / total purchases)	16.14	8.07
	b.	Sales (Sales to related parties / total sales)	81.57	87.67
	c.	Loans and Advances (Loans and Advances given to related parties / total loans and advances)	100.00	100.00
	d.	Investments (Investments in related parties / total investments made)	98.05	97.64

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	The Company has conducted a BRSR Core Value Chain Workshop for its key suppliers to enhance awareness of SEBI's BRSR Core framework, reporting requirements, and ESG expectations. The workshop aimed to strengthen supplier readiness for ESG reporting and promote responsible environmental, social, and governance practices across the value chain. The Company is progressively strengthening supplier engagement and ESG data collection processes to enhance the scope, quality, and consistency of future environmental assessments across its value chain. For further details, please refer to Annexure A.	86%

2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company and its subsidiaries ensure adherence to pertinent standards, particularly those relating to conflict of interest, and have zero tolerance for unethical business practices.

The Company has a Code of Conduct for Directors and Senior Management as well as a Whistle Blower Policy -Vigil Mechanism.

The Managing Director gives a declaration confirming all the Directors and Senior Management Personnel adhere to the Code of Conduct in the Corporate Governance Report of the Annual Report.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Sr. No.	Segment	FY 2026	FY 2025	Details of improvements in environmental and social impacts
1	R&D	NA	NA	NA
2	Capex	NA	NA	NA

Note: The Company is an unregistered Core Investment Company and has the principle business of investing in the group companies, including its Wholly-Owned Subsidiary Company viz., Avante Spaces Limited (Avante). Avante and other investee companies actively use and invest in new technologies in their business and the R&D expenses of those companies are reflected in their respective Annual Accounts, wherever applicable.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Not applicable.

Since the Company's primary operations include investments (properties and securities), sourcing is not a major portion of daily business operations. However, the Company nurtures a culture of conservation of resources and encourages innovation that aids in reducing dependence on natural resources.

Avante Spaces Limited (Avante), our Wholly-Owned Subsidiary, has been awarded the prestigious Platinum Certification by the Indian Green Building Council (IGBC), for its maiden commercial project, 'One Avante' at Avante Business Park Phase-I, underscoring its leadership in sustainable design, construction and operations. The term "Platinum IGBC Green Building Rating" refers to the highest level of certification awarded by the IGBC for green buildings in India. The IGBC offers a rating system for evaluating the sustainability and environmental performance of buildings, which includes various criteria such as site selection, water efficiency, energy efficiency, materials used, indoor environmental quality, and innovation. Additionally, Avante was also recognised with a Diamond Award for excellence in water management by iNFHRA.

Avante is currently developing its second project, 'Infinia' at Avante Business Park Phase -II, where sustainability remains a core focus area with the project being designed to meet the highest standards of green building and environmental performance. The project has received Platinum pre-certification from USGBC and IGBC.

These achievements reflect Avante's commitment towards sustainable development and building a legacy that protects the environment.

b. **If yes, what percentage of inputs were sourced sustainably?**

Not applicable

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

Considering the nature of the business of the Company, the above is not applicable.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to the Pollution Control Boards? If not, provide steps taken to address the same.**

Considering the nature of the business of the Company, the above is not applicable.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format.

NIC Code	Name of Product/ Service	% Of total Turnover contributed	Boundary for which the Life Cycle Perspective /Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain(Yes/No) If yes, providethe web-link.
NA	NA	NA	NA	NA	NA

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk / concern	Action Taken
NA	NA	NA

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2026	FY 2025
NA	NA	NA

4. Out of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2026			FY 2025		
	Re-Used	**Recycled**	**Safely Disposed**	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	0.348	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other Waste	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as a percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in the respective category
NA	NA

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1 a. Details of measures for the well-being of employees:

Category	Total(A)	% Of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent Employees											
Male	13	13	100%	13	100%	-	-	13	100%	-	-
Female	8	8	100%	8	100%	8	100%	-	-	-	-
Total	21	21	100%	21	100%	8	38.10%	13	61.90%	-	-
Other than Permanent Employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	1	1	100%	1	100%	-	-	-	-	-	-
Total	**1**	**1**	**100%**	**1**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	Total(A)	% Of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	%(B/A)	Number (C)	%(C/A)	Number (D)	%(D/A)	Number (E)	%(E/A)	Number (F)	%(F/A)
Permanent Workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Other than permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

c. Spending on measures towards the well-being of employees and workers (including permanent and other than permanent) in the following format:

Parameter*	FY 2026	FY 2025
The cost incurred on well-being measures (insurances, etc. refer 1a and 1b above) and other welfare measures (preventive health care, canteen and transport subsidy, attire etc.) as a % of total revenue of the Company	0.20%	0.34%

*Note: Reported as per BRSR Core Reporting Standard published by SEBI

2. Details of retirement benefits for the Current FY and Previous FY:

	Benefits	FY 2026			FY 2025		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100	NA	Y	100	NA	Y
2	Gratuity	100	NA	Y	100	NA	Y
3	ESI	NA	NA	NA	NA	NA	NA
4	Superannuation	NA	NA	NA	6	NA	Y

3. Accessibility of workplaces - Are the premises / offices of the entity accessible to differently-abled employees, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard?

Yes, the Company is providing the required support to make its offices accessible to differently-abled employees. The office is equipped with ramps for access, lifts with backup power, staircase railings, adequate space for wheelchair movement, separate washrooms, 24X7 ambulances / health centre facilities, first - aid and trained security personnel etc.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

The Company, through its policies, is committed to provide equal opportunity without discrimination on any grounds.

5. Return to work and Retention rates of permanent employees that took parental leave

Gender	*Permanent Employees		Permanent Workers	
	Return to work Rate (%)	Retention Rate (%)	Return to work Rate (%)	Retention Rate (%)
Male	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	**100%**	**100%**	**NA**	**NA**

*Note – One of the permanent employees availed of parental leave in the Financial Year 2025-2026 and has returned to work subsequently.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees? If yes, give details of the mechanism in brief.

Yes

The Company remains steadfast in upholding the highest standards of ethical conduct and prioritising the well-being of its employees. This commitment is demonstrated through robust policies such as the Whistle-Blower - Vigil Mechanism Policy and the Policy for Prevention of Sexual Harassment of Women at the Workplace. These policies establish a strong foundation for fostering a respectful and inclusive workplace, empowering employees to voice their concerns in a confidential manner without fear of retaliation.

Further strengthening this framework, the Kirloskar Ethics Helpline, launched in the Financial Year 2023 and operated by an independent external agency, continues to function effectively across all locations. It offers employees a variety of secure and accessible channels to report grievances, including a toll-free number, voicemail, a dedicated website, email, and postal mail. Importantly, the system allows individuals to choose whether to reveal their identity or remain anonymous, ensuring a safe, transparent, and reliable platform for addressing ethical concerns and promoting a culture of accountability and trust.

		Yes / No (If yes, then give details of the mechanism in brief)
1	Permanent workers	NA
2	Other than Permanent Workers	NA
3	Permanent Employees	The Company is committed to fostering a fair, open, and transparent work culture where employees are encouraged to freely express their views and concerns. It ensures transparent communication of policies and practices, including performance evaluation metrics, variable pay parameters, compliance requirements, and other organisational processes. The Company provides a workplace free from prejudice, discrimination, harassment, and bias, with zero tolerance for any violation of these principles. To strengthen employee trust and promote ethical conduct, multiple grievance redressal and engagement mechanisms are in place, including the Prevention of Sexual Harassment (PoSH) Internal Committee, New Joiner Interactions with HR, biennial Employee Engagement Surveys, and the Kirloskar Ethics Helpline.
4	Other than Permanent Employees	

7. **Membership of employees in association(s) or Unions recognised by the listed entity**

Category	FY 2026			FY 2025		
	Total employees / workers in respective category (A)	No. of employees /workers in respective category, who are part of association (s) or Union (B)	% (B / A)	Total employees/ Workers in respective category(C)	No. of employees /workers in respective category, who are part of association (s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total Permanent Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

8. **Details of training given to employees and workers:**

Category	FY 2026					FY 2025				
	Total(A)	On Health and safety measures		On Skill upgradation		Total(D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Male	13	-	-	13	100%	11	-	-	11	100%
Female	8	-	-	8	100%	6	-	-	6	100%
Total	**21**	**-**	**-**	**21**	**100%**	**17**	**-**	**-**	**17**	**100%**
Workers										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

9. **Details of performance and career development reviews of employees and workers**

Category	FY 2026			FY 2025		
	Total (A)	No (B)	% (B/A)	Total (C)	No (D)	% (D/C)
Employees						
Male	13	10	77%	11	8	73%
Female	8	6	75%	6	5	83%
Total	**21**	**16**	**76%**	**17**	**13**	**76%**
Workers						
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

10. **Health and Safety Management System**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage of such system?**

Yes, the Company is committed to maintaining a safe and healthy working environment by proactively identifying and mitigating potential risks related to accidents, injuries, and health hazards. The Company complies with all applicable occupational health and safety laws and regulations.

Offices are equipped with key safety infrastructure, including adequate ventilation, sanitation facilities, emergency exits, and first-aid boxes. Additionally, fire alarm systems are installed and are periodically inspected and maintained to ensure operational effectiveness. These measures reflect the Company's continued focus on creating a secure workplace that prioritises employee well-being.

b. What are the processes used to identify work related hazards and assess risks on a routine and non-routine basis by the entity?

Considering the nature of business, this is not directly applicable.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

No. Considering the nature of the business, this is not directly applicable.

d. Do the employees / worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

Yes, the Company has insured its employees under medical hospitalisation, accident, and term insurance. Periodic e-wellness communications address the health awareness needs across the Company. Annual Employee Wellness (Preventive) Health Checkups followed by counselling and Health and Lifestyle Risk Assessment to promote well-being at the individual level.

11. Details of Safety related incidents

	Safety Incident/Number	Category	FY 2026	FY 2025
1	Number of permanent disabilities	*Employees	0	0
		Workers	NA	NA
2	Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	*Employees	0	0
		Workers	NA	NA
3	Total recordable work-related injuries	*Employees	0	0
		Workers	NA	NA
4	No. of fatalities	*Employees	0	0
		Workers	NA	NA
5	High consequence work-related injury or ill-health (excluding fatalities)	*Employees	0	0
		Workers	NA	NA

*Including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is committed to providing a safe, healthy, and supportive workplace for its employees. Key initiatives undertaken during the year include:

- Annual health check-ups to promote preventive healthcare and early risk detection.
- Trained Emergency Response Teams (ERTs) and regular as well as surprise mock drills to strengthen emergency preparedness.
- Health and wellness awareness sessions covering preventive care, lifestyle management, and well-being.
- Nutrition awareness programmes and promotion of healthy eating habits.
- Availability of nutritious food options in the cafeteria, including initiatives to encourage the consumption of millets and other healthy foods.
- Flexible working arrangements to support employees' evolving personal and professional needs.
- Adherence to workplace safety protocols and periodic safety awareness initiatives. These measures reflect KIL's commitment to fostering employee well-being, safety, and a healthy work culture.

13. **Number of Complaints on the following made by employees**

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. **Assessments for the year**

Safety Incident / Number	% of your plants and offices that were assessed (*by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

*The Company strives to keep the workplace environment safe, hygienic, and humane, upholding the dignity of the employees.

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

The Company takes proactive measures to prevent any mishaps. As a result, there have been no complaints regarding working conditions, health, or safety.

LEADERSHIP INDICATORS

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

(A) Employees: Yes. All employees are covered under term insurance in the event of death.

(B) Workers: NA

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partner.**

The Company mandates that statutory dues are deducted and deposited regularly by the value chain partners. Statutory compliances are reviewed every quarter by obtaining a compliance report.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2026	FY 2025	FY 2026	FY 2025
Employees	0	0	0	0
Workers	NA	NA	NA	NA

4. **Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Not applicable.

5. **Details on assessment of value chain partners:**

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Considering the nature of the business of the Company, this is not directly applicable
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Not applicable as no significant risks / concerns were identified.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company takes a comprehensive and inclusive approach to stakeholder engagement, recognising that its long-term success is closely tied to the interests and expectations of a diverse set of stakeholders. Stakeholders are defined as individuals or groups who are directly or indirectly impacted by the Company's operations, have a vested interest in its performance, or possess the ability to influence its activities-either currently or in the future. In alignment with this perspective, the Company has identified its core stakeholder groups as shareholders, investors, customers, Government and regulatory bodies, employees, and the broader society.

   Understanding the dynamic and interdependent nature of these relationships, the Company is deeply committed to fostering open, transparent, and constructive engagement with each of its stakeholder groups. It actively seeks to listen, learn, and respond to their evolving needs, expectations, and concerns through regular dialogue and collaboration. This ongoing engagement plays a critical role in shaping the Company's strategic direction and operational priorities, ensuring that business decisions are not only economically sound but also socially responsible and aligned with stakeholder interests. By embedding stakeholder feedback into its governance and planning processes, the Company aims to build trust, enhance long-term value, and contribute positively to the communities and ecosystems in which it operates.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group**

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement(Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	- Emails, Notices, Displays, Meetings, intranet, website	- Continuous / frequently	- Employee morale and productivity
		- Review Meetings,	- Weekly / Monthly / Quarterly / Annually	- Employee health, safety and well-being.
		- Get-togethers	- Annually	- Learning, development and growth
		- Employees Engagement Activities	- Quarterly	- Policies, processes and performance
		- LinkedIn Platform(e-Learning Management System), Training, Theme Based Virtual Round Tables	As per annual training / events calendar	- Employee satisfaction, engagement and benchmarking
		- Performance Appraisal Dialogues	- Annually	
		- Employee Engagement Survey	- Annually	
Customers	No	- Multiple channels - physical and digital	- Frequent and need-based	- Servicing throughout the tenure of the customer and address queries / grievances that customer may have.

Stakeholder group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement(Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	- Annual General Meetings	- Annually	- Corporate Governance.
		- Quarterly Results, Annual Reports, Press Releases, Media Interactions	- Quarterly	- Transparency in disclosures and Enhancing enterprises Value.
		- Investors Presentations	- Need based at the time of investor interactions	- Performance and Financial Results
		- Stock Exchange Filings, Notices to shareholders, Postal Ballots, Advertisements, Emails, Website	- Continuous / Frequently	- Report on CSR, information about performance, major developments, and other relevant updates regarding the Company.
Vendors	No	- Multiple channels - physical and digital	- Frequent and need-based	- To establish strategic alliances, communicate requirements and expectations, and generate appreciate and spread technology. - Also, interact throughout the service tenure of the vendor and address queries / grievances that vendors may have.
Contractors	No	- Multiple channels - physical and digital	- Frequent and need - based	- Interact throughout the service tenure of the contractors and address queries / grievances that contractors may have. Also, to further strengthen relations by regular interaction.
Regulatory authorities	No	- Multiple channels - physical and digital	- On-going and needs-based	- To discuss various rules, modifications, checks, and approvals.
Technical partners	No	- Email	- Need-based	- Interact throughout the association tenure and strengthen relations by regular interaction. - To strengthen relationships by creating win-win situations, by utilising mutual strength.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company has established structured processes to facilitate meaningful consultation between stakeholders and the Board on economic, environmental, and social (ESG) topics. This is done through a combination of internal mechanisms and external expertise, ensuring that stakeholder insights are effectively integrated into strategic decision-making.

An internal ESG team is responsible for overseeing and coordinating ESG-related activities across the organisation. For entities where the Company is a significant shareholder, such as Kirloskar Ferrous Industries Limited (KFIL), specialised external consultants are engaged to support specific ESG initiatives. These consultants bring subject matter expertise and assist in executing, monitoring, and evaluating key projects and compliance requirements across the ESG spectrum.

The core ESG committee, which includes senior leadership and relevant functional heads, works in close collaboration with both the internal team and appointed consultants. This committee regularly compiles and reviews stakeholder feedback, project outcomes, regulatory developments, and industry best practices. These insights and updates are formally presented to the Board at periodic intervals to ensure oversight and alignment with the company's strategic objectives.

To maintain transparency and accountability, the Company communicates key ESG developments and performance metrics through multiple public platforms such as annual reports, sustainability disclosures, and the social media pages of its group companies. These channels help ensure that all stakeholders—including investors, employees, customers, and society at large—remain informed and engaged with the Company's ESG journey.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes

At Kirloskar Industries Limited (KIL), engagement with stakeholders is a key mechanism through which the Company identifies, evaluates and prioritises environmental, social and governance (ESG) matters that are relevant to its long-term value creation mandate. As a Company with oversight responsibilities across subsidiaries and investee companies, KIL places significant emphasis on understanding diverse stakeholder perspectives to inform its governance approach, sustainability priorities and risk oversight.

In recognition of shifting stakeholder expectations, evolving regulatory requirements and changes in the broader business environment, KIL conducted a comprehensive materiality reassessment in the Financial Year 2026.

This exercise built upon the materiality assessment undertaken in the Financial Year 2023 and was designed to confirm the continued relevance of previously identified ESG topics, while also assessing whether emerging issues warranted enhanced focus. The reassessment was executed using a structured, consistent and repeatable methodology, ensuring continuity with earlier assessments and comparability of outcomes over time.

Stakeholder engagement formed the foundation of the reassessment process. KIL identified a diverse set of internal and external stakeholders, including members of the Board, senior leadership, employees, investors, suppliers and other relevant stakeholder groups along with its subsidiaries. Engagement was undertaken primarily through structured surveys, enabling stakeholders to provide input on the relative importance of identified ESG topics in the context of KIL's governance responsibilities, capital stewardship role and long-term strategic outlook.

Feedback received through these engagements was evaluated using a defined scoring and prioritisation framework. The results of this analysis were used to update the materiality matrix, enabling KIL to reassess and confirm priority ESG topics that influence the Company's governance focus, enterprise risk management considerations and disclosure practices. The reassessment outcomes reflect a balance between internal strategic considerations and external stakeholder expectations, supporting an objective and evidence-driven approach to ESG prioritisation.

Insights generated through the stakeholder engagement process have been systematically integrated into KIL's governance and sustainability frameworks. Stakeholder feedback has informed the incorporation of ESG considerations into risk assessment processes, strategic oversight and engagement with subsidiaries and investee companies. The outcomes of the reassessment are being used to strengthen the Company's ESG approach, including the identification of priority themes, refinement of focus areas and alignment of long-term objectives. Collectively, these efforts support KIL's evolving sustainability roadmap and reinforce its commitment to responsible governance and long-term value preservation.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.

The Company through its CSR Policies has taken up various initiatives and activities for the benefit of different segments of society, with a focus on the marginalised, poor, needy, deprived, and underprivileged persons. The Youth Skilling Initiative is designed towards imparting future-ready skills (like Diploma in Mechatronics) and ensuring sustainable employability, gives opportunities to the most vulnerable and deprived sections of society (e.g. 43% of 151 students supported currently are girls, out of whom 10 are orphans and another 9 have only single Parent, 73% of total students are from Affirmative Action).

Principle 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:

Category	FY 2026			FY 2025		
	Total(A)	No. of employees / workers covered (B)	%(B/A)	Total(C)	No. of employees / workers covered (D)	%(D/C)
Employees						
Permanent	21	21	100	17	17	100
Other than permanent	1	1	100	1	1	100
Total employees	**22**	**22**	**100**	**18**	**18**	**100**
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total workers	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

2. Details of minimum wages paid to employees and workers:

Category	FY 2026					FY 2025				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No (B)	% (B/A)	No (C)	% (C/A)		No (E)	% (E/D)	No (F)	% (F/D)
Employees										
Permanent										
Male	13	-	-	13	100%	11	-	-	11	100%
Female	8	-	-	8	100%	6	-	-	6	100%
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	1	-	-	1	100%	1	-	-	1	100%
Workers										
Permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Other than permanent										
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Crore)	Number	Median remuneration/ salary/ wages of respective category (in Crore)
Board of Directors (BoD) (excludes 2 Directors who are included in KMPs)	8	0.14	2	0.09
Key Managerial Personnel (includes 2 Directors)	2	3.61	2	1.49
Employees other than BoD and KMP	11	0.09	6	0.10
Workers	0	NA	0	NA

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2026	FY 2025*
Gross wages paid to females as % of total wages*	55%	27%

*Note: Gross wages for FY 2025 restated as per the definition of 'wages' in BRSR Core Reporting Standard published by SEBI

4. Do you have a focal point (Individual / Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No) :

Yes, there is Human Rights Policy in place. The Ethics Committee, Ethics Ombudsman and Ethics Counsellors are responsible for addressing issues by following the Whistle-Blower Policy and Vigil Mechanism thereon. Whistle-Blower Policy web link is given below:

https://www.kirloskarindustries.com/documents/779558/6d0b6d5d-273f-c17b-82dd-0da343279f24

5. Describe the internal mechanisms in place to redress grievances related to human rights issue:

In addition to existing mechanisms such as the Whistle-Blower Policy, the Company has introduced the Kirloskar Ethics Helpline, managed by an independent external agency, to receive and address employee grievances.

6. Number of Complaints on the following made by employees and workers:

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Parameter*	FY 2026	FY 2025
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0
Complaints on POSH upheld	0	0

*Note: Reported as per BRSR Core Reporting Standard published by SEBI

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:

The Company evolved a comprehensive policy for the Prevention of Sexual Harassment of Employees in line with the law passed by the Government of India in this regard.

In addition to this, the Kirloskar Ethics Helpline has a mechanism for anonymous reporting and assurance of 'no retaliation' for the complainants in harassment and discrimination cases.

9. Do human rights requirements form part of your business agreements and contracts? (Yes / No):

Yes

The Company strives to follow all the norms / standards of human rights in all its business deals and agreements.

10. Assessments for the year

Section	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Wages	100%
Others - NA	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

Not applicable. As there were no human rights related risks / concerns identified by the Company during the Financial Year 2025-2026, no corrective actions were required to be taken.

LEADERSHIP INDICATORS

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

Not applicable as no grievances / complaints were received regarding the violation of Human Rights Policy during the Financial Year 2025-2026.

2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company has implemented a Code of Conduct, Human Rights Policy, POSH Policy, and grievance mechanisms such as the Whistle-Blower Policy and Kirloskar Ethics Helpline, which are communicated across the organisation. These policies apply to both internal and external stakeholders and ensure the protection and non-violation of human rights.

3. Is the premise / office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

The Company is committed to fostering an inclusive work culture that addresses the needs of differently-abled individuals, including employees and visitors. The office is equipped with lifts, backup facilities, handrails for staircases, and adequate space to accommodate wheelchair movement. Additionally, the Company plans to prioritise accessibility in its new premises, ensuring compliance with the Rights of Persons with Disabilities Act, 2016 and providing special attention to the needs of differently-abled employees.

4. Details on assessment of value chain partners:

	% Of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Company seeks to encourage its value chain partners to uphold the same values, principles, and business ethics as it does in all its operations. It also expects them to do so. We have not conducted a specific evaluation of any value chain partners, however, while appointing the partners, we emphasise on they being compliant with all the parameters.
Discrimination at workplace	
Child Labour	
Forced Labour / Involuntary Labour	
Wages	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable as no grievances / complaints were identified regarding violation of Human Rights Policy during the Financial Year 2025-2026.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules and multiples) and energy intensity:

Parameter*	FY 2026	FY 2025
From Renewable Sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption from renewable sources (A+B+C)	**0**	**0**
From Non-Renewable Sources		
Total electricity consumption (D)	69.42	112.54
Total fuel consumption (E)	104.57	140.56
Energy consumption through other sources (F)	0	0
Total energy consumption from non-renewable sources (D+E+F)	**174**	**253.10**
Total Energy Consumed (A+B+C+D+E+F)	**174**	**253.10**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00000016364	0.00000026423
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.00000332845	0.00000539873
Energy intensity in terms of physical output	0.00000108746	0.00000121181
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

*Note: Reported as per BRSR Core Reporting Standard published by SEBI

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency

Yes. BDO India Services Private Limited has been appointed for independent assessment / evaluation / assurance.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, considering the scope of the business of the Company, the same is not applicable.

3. Provide details of the following disclosures related to water, in the following format

Parameter*	FY 2026	FY 2025
Water withdrawal by source (in kiloliters)		
(i) Surface water	The Company being an investment Company, has limited water usage and uses water supplied by the municipal corporation.	
(ii) Groundwater	The Company being an investment Company, has limited water usage and uses water supplied by the municipal corporation.	
(iii) Third party water	-	
(iv) Seawater / desalinated water	The Company being an investment Company, has limited water usage and uses water supplied by the municipal corporation.	
(v) Others	163	
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	Water consumption is commonly used between a group company and the Company and the volume of total withdrawal is very negligent.	
Total volume of water consumption (in kiloliters)	163	11.08
Water intensity per rupee of turnover (Total water consumed / Revenue from operations)	0.0000001533075	0.0000000115671
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000031182755	0.0000002363397
Water intensity in terms of physical output	0.0000010187964	0.0000000530493
Water intensity (optional) – the relevant metric maybe selected by the entity	-	-

*Note: Reported as per BRSR Core Reporting Standard published by SEBI

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency –

Yes. BDO India Services Private Limited has been appointed for independent assessment / evaluation / assurance.

4. Provide the following details related to water discharged:

Parameter*	FY 2026	FY 2025
Water discharge by destination and level of treatment (in kilolitres)	The Company being an investment Company, has limited water usage and uses water supplied by the municipal corporation.	The Company being an investment Company, has limited water usage and uses water supplied by the municipal corporation.
(i) To surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

*Note: Reported as per BRSR core Reporting Standard published by SEBI.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency –

Yes. BDO India Services Private Limited has been appointed for independent assessment / evaluation / assurance.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No. The Company being an investment Company, has no liquid discharge, except the regular office environment liquid discharge.

6. Provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	FY 2026	FY 2025
NOx	NA	0	0
SOx	NA	0	0
Particulate matter (PM)	NA	0	0
Persistent organic pollutants (POP)	NA	0	0
Volatile organic compounds (VOC)	NA	0	0
Hazardous air pollutants (HAP)	NA	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes. BDO India Services Private Limited has been appointed for independent assessment/ evaluation/assurance.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter*	Please specify units	FY 2026	FY 2025
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric terms of CO_2 equivalent	7.35	10.27
Total Scope 2 emissions (Break-up of the GHG (CO_2e)into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric terms of CO_2 equivalent	13.69	22.73
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	NA	0.0000000197849	0.0000000344509
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	NA	0.0000004024258	0.0000007038999
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	0.0000001314797	0.0000001579989
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

*Note: Reported as per BRSR Core Reporting Standard published by SEBI.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –

Yes. BDO India Service Private Limited has been appointed for an independent assessment / evaluation / assurance.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details

No, considering the nature of business, it is not applicable to the Company.

9. Provide details related to waste management by the entity:

Parameter*	FY 2026	FY 2025
	Total Waste generated (in MT)	
Plastic waste (A)	NA	NA
E-waste (B)	NA	0.348
Bio-medical waste (C)	NA	NA
Construction and demolition waste (D)	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	NA	NA
Other Non-hazardous waste generated (H). Please specify, if any.(Break-up by composition i.e. by materials relevant to the sector)	0.86	NA
Total (A+B + C + D + E + F + G + H)	**0.86**	**0.348**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000000008105	0.0000000003633
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000164859	0.0000000074229
Waste intensity in terms of physical output Waste intensity (*optional*) – the relevant metric may be selected by the entity	0.0000000053862	0.0000000016662
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0.862	0.348
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	**0.862**	**0.348**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
Total		

*Note: Reported as per BRSR Core Reporting Standard published by SEBI.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. BDO India Services Private Limited has been appointed for independent assessment / evaluation / assurance.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the Company. The Company has systems in place to manage e-waste and engages with certified e-waste / office waste handlers for the disposal of e-waste / office waste.

11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)If no, the reasons thereof and corrective action taken, if any.
-	-	-	-

The Company does not have any offices in the vicinity of any ecologically sensitive area.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain(Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-

The Company is compliant with the applicable environmental laws / regulations / guidelines of the country.

LEADERSHIP INDICATORS

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Not applicable

(ii) Nature of operations: Not applicable

Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2026	FY 2025
Water withdrawal by source (in kiloliters)		
(i) To Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA

Parameter	FY 2026	FY 2025
Total volume of water withdrawal (in kiloliters)	NA	NA
Total volume of water consumption (in kiloliters)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) To Groundwater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third parties		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others		
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kiloliters)	NA	NA

2. **Please provide details of total Scope 3 emissions and its intensity, in the following format:**

Parameter	Unit	FY 2026	FY 2025
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

3. **With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities:**

Not applicable.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	NA	NA	NA

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link:**

The Company recognises the importance of ensuring a sustainable business and has developed the Business Continuity Policy to manage and mitigate the risks and uncertainties that may disrupt our business as usual. This Policy ensures that the Business Continuity Management systems are developed and in place to safeguard the interests of our stakeholders and reduce economic and other losses to the business.

The Company has uploaded the policy on its website - https://www.kirloskarindustries.com/documents/779558/a2815d8f-f78c-42aa-8c11-39b8152a5758.

The Company's Risk Management Policy emphasises business continuity.

The Company has deployed a risk management process that includes risk identification, assessment and its treatment, mitigation, monitoring, and reviewing actions. The Company prioritises and manages the risks identified through its Risk Registers.

6. **Disclose any significant adverse impact on the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

The Company primarily operates as an unregistered CIC, focusing on investing in the shares of Kirloskar group companies. Although this business activity itself does not directly affect the environment, the subsidiary companies regularly evaluate the environmental impact of their operations and disclose all pertinent data. Links to the subsidiary companies' reports are available on the Company's website.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts**

The Company has undertaken an assessment of environmental performance for its key value chain partners who have contributed to 2% or more individually of the annual procurement spend, cumulatively covering up to 75% of the total value. However, given the nature of the business of the company, the suppliers are mostly service providers. During the reporting year, complete and verifiable BRSR Core-aligned data could not be obtained from suppliers within the defined assessment boundary, as many suppliers are still developing their ESG data management and reporting capabilities.

The Company is progressively strengthening supplier engagement and ESG data collection processes to enhance the scope, quality, and consistency of future environmental assessments across its value chain. To address this, KIL conducted a capacity-building workshop for its value chain partners on BRSR Core principles, disclosure requirements, and data collection methodologies. These initiatives aim to enhance supplier readiness and progressively improve the quality and availability of ESG data across the value chain.

For Further details, please refer **Annexure A.**

8. **How many Green Credits have been generated or procured:**

a. By the listed entity : NA

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners : NA

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers / associations:**

2

2 b. **List the top 10 trade and industry chambers / associations (determined based on the total members of such a body) the entity is a member of / affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry	National
2	Confederation of Real Estate Developers' Associations of India (CREDAI)	National

2. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

There were no issues related to anti-competitive conduct by the Company or adverse orders from regulatory authorities during the Financial Year 2025-2026.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
	NA	NA	NA	NA	NA

Principle 8: Businesses should promote inclusive growth and equitable development

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current Financial Year 2026**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
NA	NA	NA	NA	NA	NA

As per applicable laws, SIA is not applicable for any of the projects undertaken by the Company.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity in the following format**

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
	NA	NA	NA	NA	NA	NA

Not applicable as the Company does not have any projects for which on-going Rehabilitation and Resettlement (R&R) is required to be undertaken.

3. **Describe the mechanisms to receive and redress grievances of the community**

The Company has various mechanisms to receive and redress the grievances of various stakeholders. Grievance Redressal Policy addresses and provides relevant links for community members to lodge a grievance or a concern.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers**

Category of waste	FY 2026	FY 2025
Directly sourced from MSMEs/ small producers	14.10%	10.19%
Sourced directly from within India	100%	100%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2026	FY 2025
Rural	0	0
Semi-Urban	0	0
Urban	0	0
Metropolitan	100%	100%

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of the negative social impact identified	Corrective action taken
NA	NA

Not applicable (refer to Principle 8 Essential Indicator No.1)

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Sr. No.	State	Aspirational District	Amount spent (in INR)
NA	NA	NA	NA

Not applicable

3. a. **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No)**

No

b. **From which marginalised / vulnerable groups do you procure?**

Not applicable

c. **What percentage of total procurement (by value) does it constitute?**

Not applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

Sr. No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-	-	-	-	-

The Company has not derived any benefits from intellectual properties owned or acquired based on traditional knowledge.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

6. **Details of beneficiaries of CSR Projects:**

SR. No.	*CSR Project	No. of persons benefitted from CSR Projects	% Of beneficiaries from vulnerable and marginalised groups
1	Sponsoring students to promoter employability – oriented education / skilling (NTTF Diploma; Mechatronics) through S.L. Kirloskar CSR Foundation	151	100%

*Refer to the details of CSR initiatives of the Company in the Board's Report and Annexure III (Annual Report on CSR Activities) of the Board's Report for the Financial Year 2025-2026.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The Company has in place a Grievance Redressal Policy and is also rolling out an ethics line to address consumer complaints.

2. **Turnover of products and / services as a percentage of turnover from all products / services that carry information about**

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	Considering the scope of our business the same is not applicable.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2026			FY 2025		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive trade practices	0	0	NA	0	0	NA
Unfair trade practices	0	0	NA	0	0	NA
Others	0	0	NA	0	0	NA

4. Details of instances of product recalls on accounts of safety issues

	Number	Reason for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework / policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Group Policy on cyber security is adopted by the Company.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services

No penalties / regulatory action has been levied or taken on the above- mentioned parameters.

7. Instances involving loss / breach of data of customers as a percentage of total data braches or cyber security events:

a. Number of instances of data breaches - 0

b. Percentage of data breaches involving personally identifiable information of customers – 0

c. Impact, if any, on the data breaches – Not applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to the business of the Company is available on the Company's website viz., www.kirloskarindustries.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

This is not applicable, considering the scope of the business of the Company.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

This is not applicable, considering the scope of the business of the Company.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable

Note: All the percentages mentioned in the report are rounded off.

Annexure A

BRSR Value Chain Disclosure

Executive Summary

In today's dynamic industrial environment shaped by climate change, technological evolution, and geopolitical shifts, robust supply chain resilience and sustainability have become strategic priorities. For engineered solutions providers like Kirloskar Industries Limited (**"KIL"/ "Company"**), these drivers pose both challenges and opportunities: innovation cycles are accelerating, ESG regulations are tightening, and disruptions, from supply shocks to regulatory changes, are emerging more frequently. As a result, KIL is moving beyond conventional cost-driven approaches to embrace value-led, ecosystem-based sourcing strategies that enhance transparency, trust, and long-term competitiveness.

Resilience and sustainability underpin KIL's supply chain ethos. Operating across critical sectors such as manufacturing, oil & gas, power, and refrigeration, KIL recognises its responsibility to reduce emissions, manage resources responsibly, and ensure ethical supplier practices. Our ESG Policy that is aligned with global frameworks extends to value chain ensuring our partners adopt best-in-class environmental, social, and governance standards.

This Value Chain Report (**"Report"**) has been structured to disclose the performance of our value chain against the BRSR Core framework, a streamlined version of the broader sustainability reporting standard by Securities and Exchange Board of India (SEBI). Pursuant to SEBI Circular No. SEBI/HO/CFD/CFD PoD 1/P/CIR/2025/42 dated March 28, 2025, the requirement for disclosing and assuring value chain data that has been deferred by one year, with the reporting boundary now covering partners contributing 2% to the purchases or sales value, cumulatively covering up to 75% of total value.

KIL is utilising this extended timeline to further reinforce ESG due diligence across its value chain and enhance the availability, quality, and consistency of supplier level ESG data. Through structured collaboration with its suppliers, KIL aims to identify and mitigate potential ESG risks, promote continuous improvement, and ensure preparedness for future regulatory requirements, while collectively driving long-term value creation and sustainable development.

ESG Commitment and Governance

KIL is committed to embedding Environmental, Social, and Governance (ESG) principles across its business activities in line with its formal ESG Policy, which guides responsible decision making and long-term value creation. The Company's environmental commitments focus on reducing its impact on climate and natural resources through the adoption of sustainable business practices, promotion of renewable energy, particularly through wind power generation, enhanced energy and water management, waste reduction, and measures that support circular economy principles and biodiversity conservation. From a social perspective, KIL emphasises equitable and inclusive employment practices, employee health, safety, and well being, continuous skill development, and workplace environments that uphold dignity, diversity, and human rights, while contributing to social welfare through initiatives aligned with its CSR framework. Governance at KIL is anchored in strong ethical values, transparency, compliance with applicable laws and regulations, and prudent management of financial and non financial risks, supported by structured disclosures and oversight mechanisms. Through this integrated ESG approach, KIL aims to strengthen operational resilience, promote responsible investment and stewardship, and contribute meaningfully to sustainable development for stakeholders and communities.

Approach to Supplier Engagement and Data Collection

KIL's approach follows a structured methodology to gather data against the BRSR Core framework.

1. **Supplier Prioritisation:** Identification of suppliers meeting SEBI-defined value thresholds (≥2% procurement value), covering up to 75% of total procurement spend.
2. **Structured Data Collection:** Deployment of standardised questionnaires based on BRSR Core environmental, social, and governance indicators.
3. **Capacity Building:** Conducted BRSR Core sensitisation workshops covering a detailed walkthrough of the nine Core indicators and their computation.

Reporting Scope

This Report has been prepared in accordance with the SEBI BRSR Core framework and covers upstream value chain partners that meet the revised materiality thresholds prescribed under the SEBI Circular dated 28 March 2025. The reporting boundary has been carefully defined to ensure accuracy, comparability, and consistency across all indicators evaluated.

For Financial Year 2024-2025, KIL's total procurement spend stood at ₹13.26 crore. In accordance with the regulatory requirement to include value chain partners contributing ≥2% of annual procurement spend; the assessment boundary includes suppliers meeting this threshold. This assessment identified 10 suppliers who accounted for 2% or more of the total procurement spend.

During the reporting year, complete and verifiable BRSR Core-aligned data could not be obtained from suppliers within the defined assessment boundary. The supplier base largely comprises small scale, privately held entities, many of which currently face limitations in structured ESG data management, internal reporting systems, and dedicated resources to collect and furnish data in line with BRSR Core requirements.

Recognising these challenges, KIL conducted a supplier workshop to build understanding of BRSR Core expectations, regulatory reporting requirements, and data collection methodologies. These engagements were aimed at enhancing supplier readiness and progressively strengthening data availability and quality across the value chain.

KIL remains committed to working closely with its suppliers to support capacity building through continued engagement, guidance, and collaborative initiatives, with the objective of enabling BRSR aligned reporting from value chain partners in future reporting cycles while progressively expanding the scope and depth of value chain ESG disclosures.

Independent Assurance Statement

To,
Kirloskar Industries Limited
One Avante, 14Th Floor, Karve Road,
Kothrud, Pune, 411038

Independent Assurance Statement to Kirloskar Industries Limited on select non-financial sustainability disclosures in the Business Responsibility and Sustainability Report for the financial year 2025-26.

Introduction and objective of engagement

Kirloskar Industries Limited (the 'Company') has developed its Business Responsibility and Sustainability Report (BRSR) 2025-26 (the 'Report') based on the BRSR reporting guidelines, including the BRSR Core indicators prescribed by SEBI for listed entities. The reporting criteria have been derived from the Principles of National Guidelines on Responsible Business Conduct (NGRBC), and Greenhouse Gas (GHG) Protocol - A Corporate Accounting and Reporting Standard.

BDO India Services Private Limited ("BDO India") was engaged by the Company to provide independent assurance on BRSR Core indicators of the Report that includes the Company's performance for the period 1st April 2025 through 31st March 2026.

The Company's responsibilities

The Report content and its presentation are the sole responsibilities of the Management of the Company. The Company Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement, whether due to fraud or error.

BDO India's responsibilities

BDO India's responsibility, as agreed with the Management of the Company, is to provide assurance on the Report content as described in the 'Scope & boundary of assurance' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and ISAE 3410, "Assurance Engagements on Greenhouse Gas Statement" issued by the International Auditing and Assurance Standards Board (IAASB).

Scope, boundary & assurance criteria

The reporting scope and boundary cover the Company's standalone operations.

We applied the 'Reasonable' Assurance criteria for non-financial BRSR Core Indicators , pertaining to the Company's disclosure for the period 1st April 2025 through 31st March 2026.

Verification of non-financial sustainability performance data on a sample basis, based on our professional judgment, was conducted at the Company's Corporate Office in Pune.

Assurance methodology

Our assurance process entails conducting procedures to gather evidence regarding the reliability of the disclosures covered in the assurance scope. We conducted a review and verification of data collection, collation, and calculation methodologies, and a general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review process included:

- Evaluation and assessment of the appropriateness of the quantification methods used to arrive at the non-financial sustainability information of the BRSR Core indicators in the Report;
- Review of consistency of data/information within the Report as well as between the Report and the source;
- Engagement through discussions with personnel at the corporate level who are accountable for the data and information presented in the Report;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription, and aggregation;
- Review of data collection and Management procedures, and related internal controls;

Limitations and exclusions:

There are inherent limitations in an assurance engagement, including, for example, the use of judgement and selective testing of data. Accordingly, there are possibilities that material misstatements in the Report may remain undetected.

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2025 through 31st March 2026);
- Review of the 'economic and/or financial performance indicators' included in the Report or on which reporting is based; we have been informed by the Company that these are derived from the Company's audited financial records;
- The Company's statements and claims related to any topic other than those listed in the 'Scope & boundary of assurance';
- The Company's statements that describe qualitative/ quantitative assertions, expression of opinion, belief, inference, aspiration/targets, expectation, aim or future intention.

Our observations

We have reviewed the disclosures in the "Report" for the reporting period from 1st April 2025 through 31st March 2026. The disclosures of the Company, covered under the 'Scope, boundary & assurance criteria', are fairly reliable.

Our conclusion

Based on the scope of our review, we conclude that the disclosures fulfil the principles of relevance, completeness, reliability, neutrality, and understandability as per 'reasonable' assurance criteria of the applied Assurance Standard.

Our assurance team and independence

BDO India Services Private Limited is a professional services firm providing services in Advisory, Assurance, Tax, and Business Advisory Services, to both domestic and international organisations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organisation. This team is comprised of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems, and processes across sectors and geographies. As an assurance provider, BDO India is required to comply with the independence requirements set out in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

For BDO India Services Private Limited

sd/-
Indra Guha
Partner | Sustainability & ESG
Business Advisory Services

Gurugram, Haryana
19 June 2026