



KIRLOSKAR INDUSTRIES LIMITED

A Kirloskar Group Company

Enriching Lives

BUSINESS RESPONSIBILITY POLICY

Introduction

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations) and further amendment to Regulation 34 of the Regulations, require top 1000 listed companies (based on the market capitalization of every financial year) to include a Business Responsibility Report (BRR) as a part of its Annual Report. The BRR requires the companies to have a structure, governance and policies for business responsibility. Accordingly, the Board of Directors (the Board) of Kirloskar Industries Limited (KIL / the Company) has adopted the 'Business Responsibility Policy' (the Policy) which will come into effect from 5 February 2021.

Objective

The key objective of this Policy is to ensure a unified and common approach to the dimensions of Business Responsibility and be abreast with changes in regulations.

Applicability

The Policy is applicable to all Directors and employees of the Company. The Company is engaged in the business of wind power generation, investments (securities and properties) and real estate activities and this Policy is applicable to all operations of the Company. The subsidiary companies of the Company may participate in the Business Responsibility initiatives of the Company to the extent required under the laws of the country in which they operate.

Implementation

The Managing Director of the Company shall be responsible for implementing this Policy. This Policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company's website. Compliance with the Policy shall be monitored and evaluated on regular basis. Human Resource Head will formulate an action plan / checklist to ensure compliances of the various principles enunciated in this Policy. Any grievances / complaints concerning non-compliance with the Policy shall be reported to the Managing Director of the Company.

Policy Amendments

Any subsequent amendment / modification in the Regulations, National Voluntary Guidelines (NVGs) and / or other laws in this regard shall automatically apply to this Policy. The same shall be added / amended / modified from time to time as authorised by the Board of Directors.





Enriching Lives

KIRLOSKAR INDUSTRIES LIMITED

A Kirloskar Group Company

Policy

Principle 1: Ethics, Transparency and Accountability

The Company is committed to conducting its business in a fair and transparent manner. The Company has in place the 'Code for the Board of Directors and Senior Management of Kirloskar Industries Limited' (the Code) and confirmation to the Code is obtained by the Company on an annual basis from the Directors and members of the Senior Management.

The objective is to evolve as good corporate citizens by implementing highest degree of transparency, integrity, accountability and corporate social responsibility.

The Company will discharge its responsibility towards making true and fair financial and other mandatory disclosures timely.

The Company shall ensure that genuine concerns of misconduct / unlawful conduct can be reported in a responsible and confidential manner through its vigil mechanism.

Principle 2: Product Life Cycle Sustainability

The Company shall assure safety and optimal use of resources over the business lifecycle and ensure that everyone connected with it are aware of their responsibilities.

The Company shall at all times strive to be environmentally sustainable across its operations giving due emphasis on factors such as energy, water and material efficiency. The Company shall on a continuous basis aim at maintaining the balance between social and economic considerations and minimise environmental impacts.

Principle 3: Employee Wellbeing

The Company endeavours to ensure the well-being of all its employees including sub-contracted employees. The safety, health and work-life balance of employees are extremely important. The Company believes in giving its employees ample opportunities so that they shall be motivated, result-oriented and committed to achieving excellence in their domain. The Company endeavours to provide a work environment in which all individuals are treated with mutual respect and dignity.

Further, the Company shall:

- ensure health and safety of all its employees;
- not use child labour, forced labour, paid or unpaid;





Enriching Lives

KIRLOSKAR INDUSTRIES LIMITED

A Kirloskar Group Company

- provide a work environment that is free from any form of discrimination, exploitation and harassment including but not limited to sexual harassment;
- provide facilities for the wellbeing of its employees including those with special needs; and
- ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis.

Principle 4: Stakeholders Engagement

The Company gives utmost importance to the healthy engagement with its various stakeholders, including but not limited to employees, shareholders / investors, customers and government / regulatory authorities.

The Company shall acknowledge, assume responsibility and be transparent with its policies, decisions, services and associated operations for impact on the stakeholders.

The Company shall resolve differences with stakeholders in a just, fair and equitable manner.

The Company's Corporate Social Responsibility (CSR) policy that drives the initiatives undertaken by the Company towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders shall ensure the above principles.

Principle 5: Human Rights

The Company recognises that human rights as articulated in the Constitution of India and various other laws like International Bill of Human Rights are inherent, universal, indivisible and interdependent in nature. The Company is not complicit in any human rights violations by its contractors or suppliers. Currently human rights aspects are a part of employee induction training. Whistle Blower and Grievance Redressal mechanisms are in place for receiving and addressing complaints and feedback related to human rights violations or process improvement.

Principle 6: Environment

The Company is committed to ensure environment protection and safety and is aware about global environmental issues.

The Company is committed to creating and preserving a clean environment. Its principle business of windmill operations helps in reducing greenhouse gas emissions and mitigates the impact of climate change.

The Company undertakes appropriate measures to check and prevent pollution wherever required with due regard to public interest and environmental laws and regulations.





Enriching Lives

KIRLOSKAR INDUSTRIES LIMITED

A Kirloskar Group Company

Principle 7: Responsible Advocacy

The Company ensures that its Policy consists of the highest degree of responsible and ethical behaviour and works collectively with trade and industry chambers and associations to raise matters with the relevant government bodies.

The Company will ensure that the policy advocacy and liaison reflect the commitment to integrity, transparency and high ethical standards, and are conducted in compliance with all applicable central, state and local laws, regulations, and rules and good corporate governance practices.

Principle 8: Inclusive Growth

The Company has in place a Corporate Social Responsibility Policy dated 16 October 2014, (CSR Policy) framed as per the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 and is carrying out various CSR Activities in accordance with the Schedule VII to the Companies Act, 2013.

The Company shall be guided by its CSR Policy for inclusive growth and equitable development.

Principle 9: Consumer Value

The Company will at all times strive to serve the needs of its customers, taking into account their overall well-being as well as that of society.

The Company has adequate grievance handling mechanism to address investors' concerns in a timely manner.

**For and on behalf of the Board of Directors
of Kirloskar Industries Limited**


**Atul Kirloskar
Chairman**



Date: 5 February 2021

Place: Pune