KIRLOSKAR INDUSTRIES LIMITED
A Kirloskar Group Company

Enriching Lives

12 September 2020

BSE Scrip Code: 500243

NSE Scrip Code: KIRLOSIND

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

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

Dear Sir / Madam,

Subject: Updates of Material Subsidiary

We wish to inform you that Kirloskar Ferrous Industries Limited (KFIL), a listed material subsidiary of the Company, has submitted to the stock exchange, where the shares of KFIL are listed, an intimation under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Listing Regulations), vide its letter dated 12 September 2020, regarding acquisition of moveable and immoveable assets relating to pig iron plant of VSL Steels Limited.

A copy of the same is enclosed for your reference.

You are requested to take the same on your record.

Thanking you.

For Kirloskar Industries Limited

A.V. Mali

Ashwini Mali
Company Secretary &
Compliance Officer

Encl.: As above

KIRLOSKAR FERROUS INDUSTRIES LIMITED
A Kirloskar Group Company

Enriching Lives

Ref No. 2600/20 12 September 2020

The Department of Corporate Services
BSE Limited
P. J. Towers, Dalal Street, Fort,
Mumbai 400001
(Scrip Code : 500245)

Kind Attention : Mr. Abhay Mungekar / Mr. Amol Hosalkar / Mr. Mangesh Tayde

Dear Sir,

Subject : Disclosure with respect to in-principle approval for acquisition of assets of VSL Steels Limited

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; we wish to inform that the Board of Directors of Kirloskar Ferrous Industries Limited ["the *Company*"] at its meeting held today has granted its in-principle approval for acquisition of movable and immovable assets relating to the pig iron plant of VSL Steels Limited [“the Seller”] for a cash consideration of not exceeding Rs. 135 Crores payable in installments ("the Transaction"); subject to fulfillment of certain commercial conditions, the approval of the Board of Directors and the Members of VSL Steels Limited and such necessary approvals from the statutory, government and regulatory authorities.

Salient details of the Transaction are as given below :

1. Object of proposed Transaction :

   The object of proposed transaction is to expand production capacity of Pig Iron of the Company. After completion of the Transaction, the production capacity of pig iron will increase from 3,91,400 Metric Tonnes per annum to 5,41,400 Metric Tonnes per annum.

2. Purchase consideration :

   The purchase consideration of Rs. 135 Crores will be exclusive of applicable taxes, duties and charges thereon and will be financed partly by way of borrowings and partly by way of internal accruals.

3. Proposed Transaction will not fall within the purview of related party transactions as defined under the Companies Act, 2013; rules thereof and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   None of entities belonging to the Promoters and Promoters Group of the Company has any interest in VSL Steels Limited.

Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra
Telephone : +91 (20) 66084664 **Telefax** : +91 (20) 25813208 **Email** : investor@kfil.com **Website** : www.kirloskarferrous.com
CIN : L27101PN1991PLC063223

4. Proposed Transaction is expected to be completed in two stages; viz. operations of pig iron plant are expected to commence within six months and that of sinter plant within 18 months.

5. Brief details of the Seller, i.e. VSL Steels Limited :

   VSL Steels Limited was incorporated on 25 November 2003 pursuant to provisions of the Companies Act, 1956. It has its registered office situated at Number 539, "Ashwini complex", IV floor, CMH road, Indiranagar, HAL 2nd stage, Bangalore 560038, Karnataka. It was incorporated to carry on manufacturing all kinds of ferrous and non-ferrous metals.

   The Company proposes to acquire movable and immovable assets relating to the pig iron plant of VSL Steels Limited situated at Paramenahally Village, Hiriyur, Chitradurga District, Karnataka State. Presently, the manufacturing unit is non-operational and does not have any turnover.

You are requested to take the same on record.

Thanking You,

Yours faithfully,
For Kirloskar Ferrous Industries Limited

Ravindranath Venkatesh Gumaste

Digitally signed by Ravindranath Venkatesh Gumaste
Date: 2020.09.12 19:11:12 +05'30'

R. V. Gumaste
Managing Director
DIN : 00082829

Registered Office : 13, Laxmanrao Kirloskar Road, Khadki, Pune 411003, Maharashtra
Telephone : +91 (20) 66084664 **Telefax** : +91 (20) 25813208 **Email** : investor@kfil.com **Website** : www.kirloskarferrous.com
CIN : L27101PN1991PLC063223