KIRLOSKAR INDUSTRIES LIMITED
A Kirloskar Group Company

Enriching Lives

19 December 2020

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

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
Scrip Code: KIRLOSIND

Dear Sir,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that the Board of Directors in its meeting held today, i.e., 19 December 2020, has accorded its approval for the following matters:

1. Acquisition of 100% equity share capital of Wellness Space Developers Private Limited (WSDPL) and to make it a Wholly-Owned Subsidiary of the Company. The disclosure for the proposed acquisition is enclosed as Annexure A.

   Share Purchase Agreement has been executed by and between Mr. Sanjiv Aurora and Mrs. Reena Aurora, members of WSDPL, the Company and WSDPL.

2. Transfer of the Company's 'Real Estate Business Undertaking at Kothrud' on a going concern basis to WSDPL by way of a 'Slump Sale'. The detailed disclosure is enclosed as Annexure B.

   Business Transfer Agreement has been executed by and between the Company and WSDPL.

3. Mr. Vinesh Kumar Jairath, Non-Executive Director of the Company, has been appointed as the Managing Director of WSDPL with effect from 1 January 2021. Consequently, the Agreement entered into with Mr. Vinesh Kumar Jairath, in the capacity as Advisor to the Company, for availing his professional services in conducting the business of the Company including Real Estate Activities, will be terminated with effect from 31 December 2020.

You are requested to take the same on your record.

Thanking you.

Yours faithfully,
For Kirloskar Industries Limited

A.V.Mali

Ashwini Mali
Company Secretary &
Compliance Officer

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Encl.: As above

Annexure A

Disclosure for the proposed acquisition of 100% equity share capital of Wellness Space Developers Private Limited

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover, etc.	Wellness Space Developers Private Limited (WSDPL). Equity share capital: Paid-up share capital of WSDPL is ₹ 1,00,000 divided into 10,000 equity shares of ₹ 10 each. Turnover: Nil
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter / promoter group / group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms' length"	No.
3.	Industry to which the entity being acquired belongs	The main object of WSDPL is real estate business activities. WSDPL does not conduct any operations at present.
4.	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	The objective of the acquisition is to facilitate the effective management of the real estate activities of the Company.
5.	Brief details of any governmental or regulatory approvals required for the acquisition;	No governmental or regulatory approval is required.

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Sr. No.	Particulars	Details
6.	Indicative time period for completion of the acquisition	On 19 December 2020.
7.	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration
8.	Cost of acquisition or the price at which the shares are acquired	10,000 equity shares of face value of ₹ 10 each, acquired at ₹ 15 each.
9.	Percentage of shareholding / control acquired and / or number of shares acquired	100% shareholding consisting of 10,000 equity shares of ₹ 10 each.
10.	Brief background about the entity acquired in terms of products / line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	WSDPL is incorporated on 17 July 2020 to conduct real estate business activities. It does not conduct any business operations at present.

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Annexure B

Disclosure for the transfer of the Company's 'Real Estate Business Undertaking at Kothrud' on a going concern basis to WSDPL by way of a 'Slump Sale':

Sr. No.	Particulars	Details
1.	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	The amount and percentage of turnover or revenue or income is Nil. The amount of net worth contributed by such unit was ₹ 5,782 lakhs and the percentage to total net worth of the listed entity was 4.2% (on the basis of Consolidated Financial Statements)
2.	Date on which the agreement for sale has been entered into	Business Transfer Agreement has been executed by and between the Company and WSDPL on 19 December 2020.
3.	The expected date of completion of sale / disposal	The proposed transaction is expected to be completed on or before 31st December 2020 or such other date which may be mutually agreed upon by the parties whichever is later, subject to customary closing conditions and regulatory approvals, if any.
4.	Consideration received from such sale / disposal	₹ 75 crores for transfer of 'Real Estate Business Undertaking at Kothrud'
5.	Brief details of buyers and whether any of the buyers belong to the promoter / promoter group / group companies. If yes, details thereof	Wellness Space Developers Private Limited (WSDPL), wholly-owned Subsidiary of the Company.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms' length"	Yes. The transaction is between the related parties as the seller and the buyer are holding and Wholly-Owned Subsidiary, respectively. The transaction is not at arms' length.
7.	Area of business of entity	The main business of WSDPL is real estate business activities.
8.	Rationale for sale	The said transaction is to facilitate the effective management of the real estate activities of the Company.

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9.	In case of cash consideration – amount or otherwise share exchange ratio	WSDPL agrees to pay the Company, the purchase consideration in cash and / or WSDPL shall issue requisite instruments and the nature and terms of such instruments shall be mutually agreed upon by the Board of Directors of the Company and WSDPL.
10.	Brief details of change in shareholding pattern (if any) of listed entity	There will be no change in the shareholding pattern of the Company consequent to this transaction.

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