

M/S P.G.BHAGWAT
Chartered Accountants

To,
The Board of Directors
Kirloskar Pneumatic Company Limited
Hadapsar Industrial Estate
Pune 411013

Dear Sir,

Independent Auditors' Certificate on implementation of Employee Stock Option Plan ("KPCL ESOS 2019") of Kirloskar Pneumatic Company Limited

1. This Certificate is issued at the request of the Company.
2. We, the statutory auditors of Kirloskar Pneumatic Company Limited ("the Company"), are required to provide an annual certificate on the implementation of the KPCL Employee Stock Option Scheme 2019 ("KPCL ESOS 2019") of the Company, as approved by the shareholders by way of special resolution at the Annual General Meeting ("AGM") held on 20 July 2019, in accordance with the terms of the KPCL ESOS 2019 and with corresponding provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, (herein referred as "SEBI Regulations"), as amended from time to time, issued by the Securities and Exchange Board of India ("SEBI"), and further in accordance with the terms of the aforesaid special resolution passed by the shareholders of the Company at the AGM.

Management's Responsibility

3. The Company's management is responsible for compliance of conditions for implementation of KPCL ESOS 2019 in accordance with the SEBI Regulations and the resolution passed by the members of the Company. This responsibility includes the design, implementation and maintenance of KPCL ESOS 2019 relevant to the compliance of the conditions. The Management's responsibility includes collecting, collating and validating data and designing, implementing and monitoring of the process suitable for ensuring compliance of the KPCL ESOS 2019 with the above mentioned SEBI Regulations.
4. Management is also responsible for maintaining the information and documents, which are required to be kept and maintained under the relevant laws and regulations and for providing all relevant information to the SEBI.

Auditors' Responsibility

5. Pursuant to the requirements of the Regulation 13 of the SEB Regulations, we are required to certify, based on our work done, as to whether the implementation of KPCL ESOS 2019 is in accordance with the aforementioned SEBI Regulations.
6. We have not performed an audit, the objective of which is the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such an opinion.



7. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.


Conclusion

9. Based on the examination of the books of account and other relevant records and documents produced to us and according to the information and explanations given to us by the Management of the Company, we certify that during the year ended 31st March, 2020, the Company has implemented the KPCL ESOS 2019 in accordance with the SEBI Regulations and terms of the special resolution passed at the AGM.

Restriction on Use

10. This Certificate is issued solely for the purpose of compliance with Regulation 13 of the SEBI Regulations and placing at the ensuing Annual General Meeting of shareholders of the Company and may not be suitable for any other purpose. Accordingly, our certificate should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent.

For M/s P. G. Bhagwat,
Chartered Accountants,
Firm's Registration Number : 101118W


Sanjay Athavale
Partner
Membership No. 83374
Place : Pune
Date : 13th June 2020
UDIN : 20083374AAAABL8979

