



September 14, 2020

Ref:Sec/Sto/2020/09/01

Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001

Dear Sirs,

Subject: **Submission of Disclosure on Related Party Transactions – Kennametal India Limited**
Ref: **Disclosure under Regulation 23 (9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**
[Scrip Code: 505890] - Kennametal India Limited

Pursuant to Regulation 23 (9) of SEBI (LORD) Regulations, 2015, we hereby submit and enclose disclosure of Related Party Transactions on consolidated basis for period ended June 30, 2020, drawn in accordance with applicable accounting standards.

Kindly take note of the same and oblige.

Thanking You,

Yours faithfully,

For **Kennametal India Limited**

Naveen Chandra P
General Manager – Legal & Company Secretary

Encl: As above

Kennametal India Limited

Summary of significant accounting policies & other explanatory information (cont'd)

(All amounts in ₹ millions unless otherwise stated)

38 Related party disclosures

A) Names of related parties and description of relationship:

a) Parties where control exists:

(i) Ultimate Holding Company	Kennametal Inc, USA
(ii) Immediate Holding company	Meturit A.G. Zug, Switzerland
(iii) Enterprises holding, directly or indirectly, substantial interest in Meturit A.G. Zug	Widia GmbH, Germany Kennametal Holding GmbH, Germany Kennametal Europe GmbH, Switzerland Kennametal Luxembourg Holding S.A.R.L Kennametal Holdings , LLC, Luxembourg S.C.S Kennametal Holdings Europe Inc, USA

b) Parties under common control with whom transactions have taken place during the year:

Fellow Subsidiaries	Kennametal Australia Pty Ltd, Australia Kennametal Korea Co., Ltd., Korea Kennametal Japan Ltd., Japan Kennametal Do Brasil LTDA, Brazil Kennametal Hard Point (Shanghai) Ltd., China Kennametal Distribution Services Asia PTE. Ltd., Singapore Kennametal Shared Services Pvt Ltd., India Kennametal (China) Co Ltd., China Hanita Metal Works Ltd. (P), Israel Kennametal Asia China Management Company, Shanghai Kennametal Stellite L.P. USA Kennametal (Thailand) Co., Ltd., Thailand Kennametal (Malaysia) Sdn. Bhd., Malaysia* PT. Kennametal Indonesia Services, Indonesia* Kennametal (Xuzhou) Co.,Ltd. China* Kennametal Produktions GmbH & Co. KG, Germany* Kennametal UK Ltd.,United Kingdom* Kennametal (Singapore) PTE. Ltd., Singapore*
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c) Subsidiary

Widia India Tooling Pvt. Ltd.,

d) Key Management Personnel

Bhagya Chandra Rao – Managing Director
Suresh Reddy K V (CFO)
Naveen chandra prakash (CS)
Prakash M Telang - Independent Director
Anjani Kumar - Independent Director
Vinayak Deshpande - Independent Director
Bhavana Bindra - Independent Director

* No transaction during the year

Notes:

i) The above information has been determined to the extent such parties have been identified on the basis of information available with the Group.

ii) The above does not include related party transactions with employee trusts, as management personnel of the Group who are trustees of funds cannot individually exercise significant influence on the trusts transactions.



Kennametal India Limited

Summary of significant accounting policies & other explanatory information (cont'd)

(All amounts in ₹ millions unless otherwise stated)

38. Related party disclosures (cont'd)

B) Summary of the transactions with related parties is as follows

Particulars	Parties where control exist		Fellow subsidiaries		Key management personnel		Total	
	[A(a)]		[A(b)]		[A(c)]		2020	2019
	2020	2019	2020	2019	2020	2019		
Revenue	957	1085	240	338	-	-	1197	1423
Kennametal Inc.,USA	416	438	-	-	-	-	416	438
Kennametal Europe GmbH, Switzerland	541	647	-	-	-	-	541	647
Kennametal HardPoint (Shanghai) Ltd., China	-	-	131	185	-	-	131	185
Kennametal Distribution Services Asia Pte. Ltd., Singapore	-	-	50	62	-	-	50	62
Others	-	-	59	91	-	-	59	91
Other income	-	-	27	28	-	-	27	28
Kennametal Shared Services Private Ltd., India	-	-	18	20	-	-	18	20
Kennametal Stellite L.P. USA	-	-	9	8	-	-	9	8
Reimbursement of expenses (income)	19	12	16	13	-	-	35	25
Kennametal Inc.,USA	19	12	-	-	-	-	19	12
Kennametal Shared Services Private Ltd., India	-	-	-	2	-	-	-	2
Kennametal Distribution Services Asia Pte. Ltd., Singapore	-	-	15	10	-	-	15	10
Others	-	-	1	1	-	-	1	1
Loans and advances received	-	-	30	100	-	-	30	100
Kennametal Shared Services Private Ltd., India	-	-	30	100	-	-	30	100
Interim dividend paid	-	33	-	-	-	-	-	33
Metruit A.G. Zug, Switzerland	-	22	-	-	-	-	-	22
Kennametal Inc.,USA	-	11	-	-	-	-	-	11
Managerial remuneration paid	-	-	-	-	40	39	40	39
Bhagya Chandra Rao (MD)	-	-	-	-	21	22	21	22
Salary & allowances	-	-	-	-	13	13	13	13
Performance pay	-	-	-	-	3	4	3	4
Share based payment	-	-	-	-	5	5	5	5
Suresh Reddy K V (CFO)	-	-	-	-	8	7	8	7
Salary & allowances	-	-	-	-	6	5	6	5
Performance pay	-	-	-	-	1	1	1	1
Share based payment	-	-	-	-	1	1	1	1
Company Secretary	-	-	-	-	5	4	5	4
Salary & allowances	-	-	-	-	5	4	5	4
Performance pay (2020: ₹ 469010)	-	-	-	-	0	-	-	-
Share based payment (2020: ₹ 241997)	-	-	-	-	0	-	-	-
Independent Director Commission	-	-	-	-	4	4	4	4
Prakash M Telang	-	-	-	-	-	2	-	2
Anjani Kumar	-	-	-	-	2	1	2	1
Vinayak Deshpande	-	-	-	-	1	1	1	1
Bhavana Bindra	-	-	-	-	1	-	1	-
Independent Director Sitting Fees	-	-	-	-	2	2	2	2
Prakash M Telang	-	-	-	-	-	1	-	1
Anjani Kumar	-	-	-	-	1	1	1	1
Vinayak Deshpande (2019: ₹ 400000)	-	-	-	-	1	0	1	0
Bhavana Bindra (2020: ₹ 300000)	-	-	-	-	0	-	0	-
Purchases	2341	3209	175	95	-	-	2516	3304
Purchase of capital goods	-	1	-	24	-	-	-	25
Kennametal Inc.,USA	-	1	-	-	-	-	-	1
Hanita Metal Works Ltd. (P), Israel	-	-	-	24	-	-	-	24
Purchase of goods - others	2341	3208	175	71	-	-	2516	3279
Kennametal Inc.,USA	1025	1303	-	-	-	-	1025	1303
Kennametal Europe GmbH, Switzerland	1316	1905	-	-	-	-	1316	1905
Others	-	-	175	71	-	-	175	71
Services received / Cross charge of expenses	241	220	65	81	-	-	306	301
Information technology services	198	170	-	-	-	-	198	170
Kennametal Inc.,USA	198	170	-	-	-	-	198	170
Professional fees (Technical services)	18	19	42	63	-	-	60	82
Kennametal Inc.,USA	18	19	-	-	-	-	18	19
Kennametal Shared Services Private Ltd., India (Technical Services)	-	-	42	63	-	-	42	63
Royalty payments	9	16	9	11	-	-	18	27
Kennametal Inc.,USA	9	16	-	-	-	-	9	16
Hanita Metal Works Ltd., Israel	-	-	9	11	-	-	9	11



Kennametal India Limited

Summary of significant accounting policies & other explanatory information (cont'd)

(All amounts in ₹ millions unless otherwise stated)

38. Related party disclosures (cont'd)

B) Summary of the transactions with related parties is as follows

Particulars	Parties where control exist		Fellow subsidiaries		Key management personnel		Total	
	[A(a)]		[A(b)]		[A(c)]		2020	2019
	2020	2019	2020	2019	2020	2019		
Cross charge of expenses								
Kennametal Inc.,USA	1	6	14	7	-	-	15	13
Kennametal Shared Services Private Ltd., India (Interest on Loan Taken)	1	6	-	-	-	-	1	6
Others	-	-	10	5	-	-	10	5
Stock compensation expenses								
Kennametal Inc.,USA	15	9	4	2	-	-	4	2
	15	9	-	-	-	-	15	9
Outstanding receivables - Trade and others								
Trade receivables								
Kennametal Inc.,USA	103	104	30	31	-	-	133	135
Kennametal Europe GmbH, Switzerland	101	103	30	25	-	-	131	128
Others	57	54	-	-	-	-	57	54
Outstanding other receivables								
Kennametal Inc.,USA	44	49	-	-	-	-	44	49
Others	-	-	30	25	-	-	30	25
	2	1	-	6	-	-	2	7
	2	1	-	-	-	-	2	1
	-	-	-	6	-	-	-	6
Outstanding payable - Trade								
Kennametal Inc.,USA	216	461	21	62	-	-	237	523
Kennametal Europe GmbH, Switzerland	160	296	-	-	-	-	160	296
Others	56	165	-	-	-	-	56	165
	-	-	21	62	-	-	21	62
Outstanding loan payable								
Kennametal Shared Services Private Ltd., India	-	-	130	100	-	-	130	100
	-	-	130	100	-	-	130	100

Note: The above does not include related party transactions with employee trusts, as management personnel of the Group who are trustees of funds cannot individually exercise significant influence on the employee benefit funds transactions.

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