

**KINETIC ENGINEERING LIMITED**

Regd. Office : KinetiC Innovation Park, D-1 Block,
Plot No. 18/2, H. K. Firodia Road, MIDC,
Chinchwad, Pune - 411 019. (India)

Tele. : +91-20-66142049
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CIN : L35912MH1970PLC014819

Website : www.kineticindia.com

4th September, 2021

To
The Manager - Corporate Relationship Department
BSE Limited, 1st Floor,
Phiroze Jeejeebhoy Towers,
Fort, Mumbai- 400 001
Maharashtra, India

Scrip Code: BSE-500240

Subject: Annual Report and Notice of 50th Annual General Meeting of the Company for the Financial Year 2020-21.

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the Annual Report including Notice of Annual General Meeting for the Financial Year 2021-21 which has been sent to the members by the permitted mode(s).

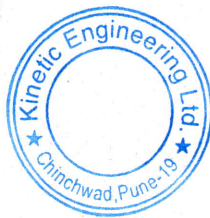
The said Annual Report including Notice of Annual General Meeting for the Financial Year 2020-21 is also available on the website of the Company.

This is for your information and record.

Thanking you.

For KinetiC Engineering Limited


Ajinkya Arun Firodia
Managing Director & CFO
DIN: 00332204



Encl: As above





CELEBRATING 50 YEARS



KINETIC

From mobilizing the common man to empowering the women,
From Chal Meri Luna to Guinness Records, From Moto scooters to Motoroyale,
From gearboxes to electric 3 wheelers, From one innovation to another.
KINETIC - Touching the hearts of India for the past 50 years.

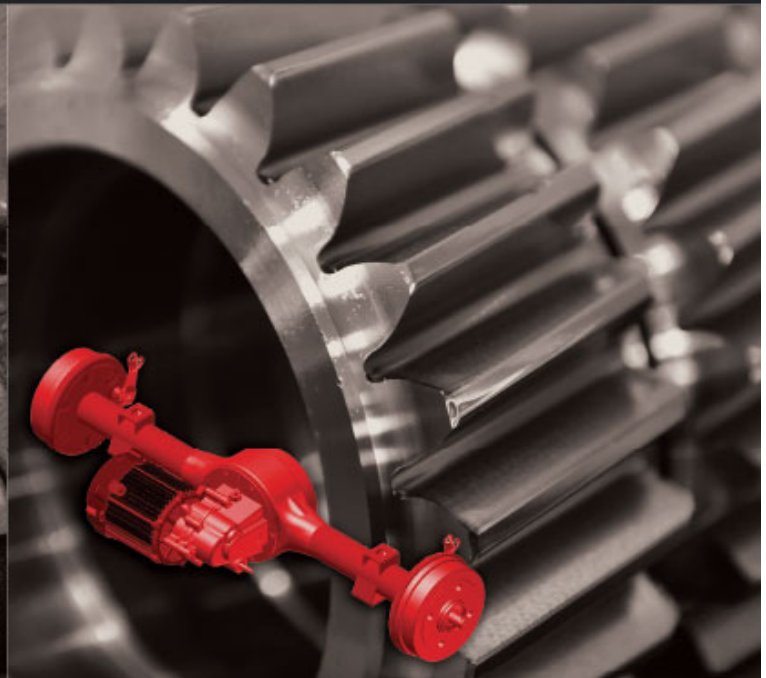


ANNUAL REPORT 2020-2021





50 KINETIC





Padmashri Arun H Firodia
Chairman, Kinetic Group

I wish all of you a happy golden anniversary!
I cannot believe that 50 years have already passed since Kinetic Engineering Limited was born. The vision in 1970 was to make in India. 100% Indian suppliers, 100% Indian machines and 100% Indian product. In our hometown, Ahmednagar.

A vehicle for the common man. And the Kinetic Luna was born. At an introductory price of Rs. 2000. Kinetic's Ahmednagar plant was set to make engines, gearboxes, chasis, and assembly. It was equipped with a heat treatment, plating and paint shop. And we made 2000 mopeds per day. Our wonder Luna captured the imagination of our fellow Indians, and hearts of nearly 1 crore customers.

Of course, we endured various challenges – marketing events spanned from racing the deccan queen to prove its speed, to going around India in 80 days to show its reliability. Actors such as Smita Patil, Shabana Azmi, and cricketers including Sachin Tendulkar, Mohammed Azharuddin and Kapil Dev were pulled in for Piyush Pandey's historic ad film – Chal Meri Luna! And then nothing could stop Kinetic.

Its engineering marvel launched various versions including Safari, Spark, TFR, King and then spanned its horizons in scooters such as the Pride, and motorcycles such as the Boss, and GF series. We developed our products at break neck speed and we were proud of our achievements. Kinetic Honda also procured all the engine and gearbox parts from Ahmednagar plant, which became and remains the technology prowess of the Kinetic Group.

In 2009, KEL took a vow to use this technical prowess to diversify into auto component systems. I am proud to say that under Ajinkya's able leadership the company has managed to win various new orders, from prestigious domestic and export customers. We are also strongly focused on the growing electric vehicles, with our own products and offerings into them.

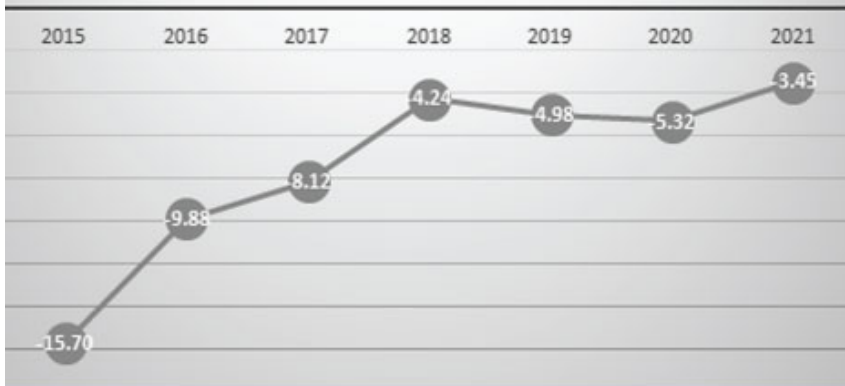
So as we celebrate the 50 years of our legacy and history, I look forward to the next 50 years of our innovations and success!

All in all, I thank each one of you for your continued belief in Kinetic!
A very happy golden anniversary to us!

A handwritten signature in blue ink, which appears to read 'Arun Firodia'. Below the signature, the name 'Arun Firodia' is printed in a black serif font.

Arun Firodia

EPS



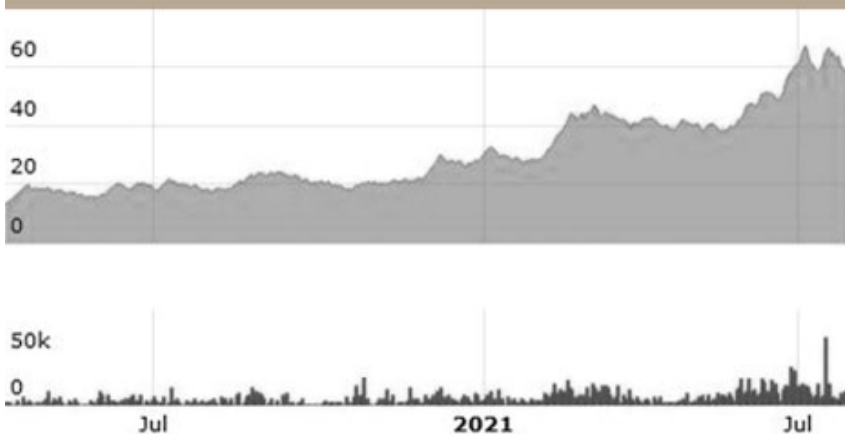
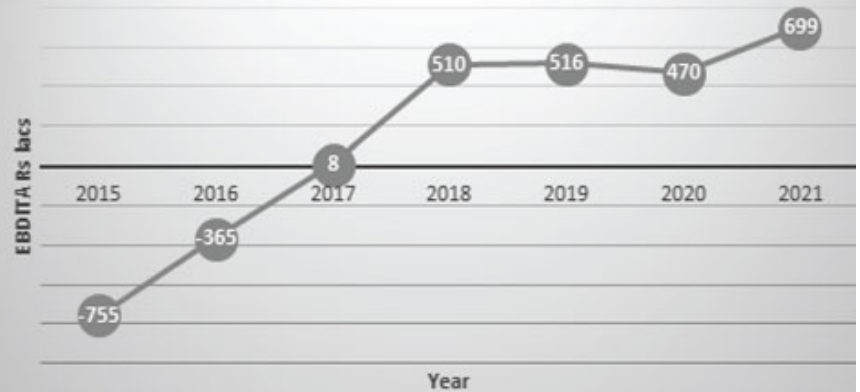
EARNINGS PER SHARE:

In line with the improvement in operations, the EPS has also shown a dramatic improvement to Rs (3.45) per share in FY21, with a positive EPS in the last quarter of FY21.

EBITDA:

Ever since 2015, the company has been consistently improving its operations, which has transformed from negative EBITDA of Rs 755 lacs to a positive EBITDA of Rs 699 lacs. The company is now consistently showing good EBITDA margin and expects to grow the EBITDA margin even further in the years to come.

EBITDA



SHARE PRICE:

The improving performance of the company has reflected in the share price as well, growing from under Rs 18 to over Rs 59 in a span of 12 months. The company is bullish about its future and expects to maintain its growth and performance momentum in the coming years.



Ajinkya Firodia

MD, Kinetic Engineering Ltd

A very happy 50 year anniversary to all of us!

The anniversary comes with a very good news: Q4 2021 marks the beginning of net profit for the company after years of efforts of our transformation into auto systems from our legacy 2 wheeler business!

This transformation has been challenging but a vast learning for us all. From changing various layouts of the company, and seeking business from companies across India and the globe, we have come a long way in this business. Today your company exports nearly 50% of its business and has prestigious companies including Renault Nissan, American Axle, Magna Powertrain, Mahindra & Mahindra group, Ashok Leyland, Carraro and many others as our prime customers. Most of which we are single sources, with a history of no line stoppage ever. Your Company has excelled its quality levels, while learning various new technologies including backward integration into forgings, assemblies of complex gearboxes for commercial trucks, manufacture of high precision parts for international passenger cars and various other methods required to flourish in this business.

I am confident and bullish of our future in this business. In a decade, nearly 120 crores of long term external debt has been pruned up, and costs have been reduced to make a healthy profitable business model, poised to grow. Amongst our new initiatives include the latest offering of the Kinetic ElectriKit – a 100% Indian kit for electric vehicles from 1 KW to 5 KW including gearbox, axle, motor and controller – to enable any aspiring and existing manufacturer to take the kit and place it in 2 wheelers, 3 wheelers and passenger cars! We have already started the supplies of these kits and are confident of its success.

We are also developing chasis and other parts for electric vehicles. In addition, your company continues to nurture existing and new clients and is hopeful for gaining large volume business for exponential growth, while we continue to focus on our efforts to increase our EBITDA.

Once again, thank you for your confidence, and look forward to the next 50 years with you!

A handwritten signature in blue ink that reads 'Firodia'. Below the signature, the name 'Ajinkya Firodia' is printed in a black, sans-serif font.



BOARD OF DIRECTORS

Mr. Arun Hastimal Firodia	-	Chairman
Dr. Jayashree Arun Firodia	-	Non-Executive Director
Ms. Sulajja Firodia Motwani	-	Non-Executive Director
Mr. Ajinkya Arun Firodia	-	Managing Director & Chief Financial Officer
Mr. Shirish Ratanlal Kotecha	-	Independent Director
Mr. Ramesh Jankiram Kabra	-	Independent Director
Mr. Rohit Prakash Bafana	-	Independent Director
Mr. Jinendra Hirachand Munot	-	Independent Director
Mr. Venkataiah Madipalli	-	Independent Director

CHIEF EXECUTIVE OFFICER

Mr. Chaitanya Koranne

STATUTORY AUDITOR

M/s. Pawan Jain & Associates,
Chartered Accountants, Pune

COMPANY SECRETARY

Mr. Nikhil Deshpande
(till 30.05.2021)

SECRETARIAL AUDITOR

M/s Dinesh Birla & Associates
Company Secretaries

REGISTERED OFFICE

D-1 Block, Plot No. 18/2,
MIDC, Chinchwad, Pune - 411019.
Phone no.: + 91-020-66142049
Fax no. + 91-020-66142088/89
E-mail: kelinvestors@kineticindia.com
Website: www.kineticindia.com.

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited
Block No. 202, Akshay Complex,
Near Ganesh Temple,
Off Dhole Patil Road, Pune - 411001
Phone No.: 020 - 26160084, 26161629,
Tele Fax No.: 020 - 26163503
E-mail Id: pune@linkintime.co.in

WORKS

Nagar-Daund Road,
Ahmednagar, Pin - 414001

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NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of the shareholders of KINETIC ENGINEERING LIMITED will be held on **Tuesday, 28th September, 2021** at 11: 30 a.m. IST, through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2021, together with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Ms. Sulajja Firodia Motwani (DIN: 00052851), who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modifications the following as a **Special Resolution:**

"RESOLVED THAT further to the special resolution passed by the members of the Company via Postal ballot, the appointment and pursuant to the provisions of sections 196, 197 and 203, read with the Schedule V and (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for /the time being in force) and all other applicable provisions of the Companies Act, 2013 and as per Articles of Association of the Company, upon the approval of the Nomination and Remuneration Committee and the Board of directors of the Company, the approval of members of the Company be and is hereby accorded for the remuneration of Mr. Ajinkya A Firodia (DIN: **00332204**) as Managing Director of the Company for 2 years with effect from 1st April, 2022 on the terms and conditions as detailed in the explanatory statement attached thereto, with liberty and authority to the Board of Directors to alter and vary the terms and conditions of the said appointment from time to time as may be mutually agreed between the Board of Directors and Mr. Ajinkya A Firodia;

RESOLVED FURTHER THAT in the absence of profits or inadequacy of profits in any financial year during the currency of tenure of Mr. Ajinkya A Firodia (DIN: **00332204**), the payment of Salary, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to take such steps as may be necessary for obtaining necessary approvals, if required any, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution."

By Order of the Board of Directors
For **KINETIC ENGINEERING LIMITED**

A. H. Firodia
Chairman
(DIN : 00057324)

Date: 12th August, 2021
Place: Pune.

**NOTES:**

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No.02/2021 dated 13th January, 2021. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/ AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kineticindia.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.



7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Saturday, 25th September, 2021 at 10.00 a.m IST and ends on Monday, 27th September, 2021 at 5.00 p.m. IST. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date at Friday, 17th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories



and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful



<p>demat mode with NSDL</p>	<p>authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <ol style="list-style-type: none"> 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL



Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.



- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kelinvestors@kineticindia.com or csdineshbirla@gmail.com ,if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to



meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.



1. GENERAL INSTRUCTIONS:

- (i) The Board of Directors have appointed M/s Dinesh Birla & Associates as the Scrutiniser to the e-voting process, and voting at the e-AGM in a fair and transparent manner.
 - (ii) The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the Fiftieth e-AGM and announce the start of the casting of vote through the e-voting system of CDSL.
 - (iii) The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinizers' report of the total votes cast in favor or against, if any, to the Chairman who shall countersign the same.
 - (iv) The scrutinizer shall submit his report to the Chairman as the case may be, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the e-AGM of the Company.
2. The Scrutinizer shall make, not later than 48 hours of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman / person of the Meeting or a person authorized by him / her in writing, who shall countersign the same and declare the results of the voting forthwith.
 3. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company www.kineticindia.com, on the website of BSE Limited www.bseindia.com and also on the website of CDSL at www.evotingindia.com immediately after the declaration of result by the Chairman / person of the Meeting or the person authorized by him / her in writing.
 4. On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.

By Order of the Board of Directors
For **KINETIC ENGINEERING LIMITED**

A. H. Firodia
Chairman
DIN : 00057324)

Date: 12th August, 2021
Place: Pune.

*Members are requested to support the "Green Initiative" by registering their email address with the Registrar & Share Transfer Agent (RTA)/Company, if not already done.



As required by Section 102 of the Companies Act, 2013 (the "Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item no. 3 of the accompanying Notice dated 12th August, 2021.

Item No. 3:

Pursuant to Special Resolution passed on 27th March, 2019, members had approved the appointment of Mr. Ajinkya A. Firodia as Managing Director of the Company for a period of five years effective from April 23, 2019 and also approved his terms of remuneration for a maximum period of three years as mandated under Section II of Part II of Schedule V of the Companies Act, 2013. Accordingly, approval for his remuneration will be expired on 22nd April, 2022.

In view of the requirements of the Part I of Schedule V of the Companies Act, 2013, fresh approval of shareholders is being sought by way of a Special Resolution for approval of remuneration of Mr. Ajinkya A. Firodia as Managing Director of the Company for a further period of two years commencing from 1st April, 2022.

Mr. Ajinkya A. Firodia has been on the Board and management of the Company for more than a decade and has rich experience in various areas of operation of the Company. Under his leadership, the Company continues to consolidate its fourth decade of leadership in the Indian Automobile Industry. During the years under Mr. Ajinkya Firodia's stellar leadership, considerable value has been added to the Company.

As recommended by the Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 12, 2021 after taking into consideration his leadership skills, performance of business, various strategic and growth initiatives contemplated and being pursued, decided that his continued association with the Company will be of immense benefit to the Company and approved the remuneration of Mr. Ajinkya A. Firodia as Managing Director of the Company, for a further period of 2 years, with effect from 1st April, 2022, subject to requisite approval of shareholders.

As recommended by the Nomination and Remuneration Committee, the Board of Directors also approved his terms of remuneration subject to requisite approval of shareholders after taking into consideration the complexities of the responsibilities handled by him and industry remuneration benchmarks. The terms and conditions, including remuneration, as set out herein below, with liberty to the Board of Directors or Committee thereof, to alter and vary the terms and conditions of the said remuneration, as it may deem fit:

Particulars	Description
Basic Salary	Rs. 46,58,500 (with 10% increase every year)
HRA	Rs. 13,88,200 (with 10% increase every year)
LTA	Rs.1,00,000
Medical Expenses	Rs. 15,000
Variable Pay	2% of operating profit (EBITDA)
Benefits:-	
Provident Fund	As per Rules of the Company
Super annuation	



Gratuity	As per Rules of the Company
Personal Accident & Mediciam benefits Other privileges, facilities, perquisites, benefits and Amenities	
Club membership	One Club
Provision of cars	2 cars- One car with driver for office use and one car with driver for private use plus fuel reimbursements.
Gas, Electricity, water etc.	Reimbursement of expenses actually incurred for Gas, Electricity, Water and furnishing and the maintenance expenses of the house, if applicable.
Telephone facility	Telephone at residence and a mobile phone
Watchman and Servants at residence	Watchman and Servants at residence
Others	All other expenses incurred for the purpose of Company's work to be reimbursed on actual basis.
Minimum remuneration	In the event of loss or inadequacy of profits, the aforesaid remuneration shall be payable as the minimum remuneration.
Tenure	2 years w.e.f. 01.04.2022
Duties and responsibilities	Subject to the superintendence, control and the direction of the Board of Directors, Mr. Ajinkya A. Firodia is entrusted with the substantial powers of the management and shall be responsible for the general conduct and management of the business and affairs of the Company as entrusted, and shall exercise the powers conferred on him by the Board from time to time, subject to such restrictions and limitations as the Board may impose.

The brief resume of Mr. Ajinkya A. Firodia as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and as per Schedule V of Companies Act, 2013 is set out in this Notice as Annexure- B (II).

Except Mr. Arun H. Firodia, Dr. Jayashree Firodia, Ms. Sulajja Firodia Motwani and Mr. Ajinkya Firodia, none of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested in the said resolution.

Your Directors recommend passing of this resolution by way of a Special Resolution.

**Annexure - A**

Details of Director seeking appointment/ re-appointment at the Annual General Meeting [In pursuance of Corporate Governance provision of Listing Regulations, 2015)	
Name of the Director	Ms. Sulajja Firodia Motwani
Date of Birth (Age)	26 th August, 1970 (50 years)
DIN	00052851
Date of Appointment	9 th December, 2011
Qualification	MBA in Finance from Carnegie Mellon University, Pittsburgh. USA
Directorship as on 31 st March, 2021	Kinetic Engineering Ltd., Kinetic Marketing and Services Ltd., Kinetic Kids Products Pvt. Ltd., Kinetic Fgtechnopolo Engineering Services Pvt Ltd, Sitaram Real Estate Developers Pvt. Ltd., Kinetic Green Tonino Lamborghini Pvt. Ltd., Chrysalis Financial Services Pvt Ltd., Kinetic Green Mobility Solutions Pvt Ltd.
Chairmanship/Membership of Committees of other Companies as on 31 st March, 2021.	Nil
Shareholding in the Company	616

Annexure- B

STATEMENT PURSUANT TO PARAGRAPH (IV) OF THE SECOND PROVISOR OF PARAGRAPH B OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013 IN RESPECT OF ITEM NOS. 3 OF THE NOTICE

I. GENERAL INFORMATION**1. Nature of Industry**

The Company is engaged in the business of 2/3 wheeler Auto - ancillary operations.

2. Date or expected date of commencement of commercial production

Not applicable.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus**

Not applicable.

4. Financial performance based on given indicators

Rs. In Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Total income	8703.47	11,849.86	12,051.47
Profit / (Loss) before tax	(622.93)	(911.74)	(816.36)
Profit / (Loss) after tax	(622.93)	(911.74)	(816.36)

5. Foreign investments or collaborations, if any

The Company does not have any foreign collaborations. As per the shareholding pattern of the Company as on 31st March, 2021, the composite foreign investment in the Company stands at 3.42% comprising of:

- (i) 0.00 % by foreign portfolio investors;
- (ii) 2.93 % by foreign bodies corporate; and
- (iii) 0.49 % by non-resident Indians.

II. INFORMATION ABOUT THE APPOINTEE**a. Background details**

Mr. Ajinkya A Firodia, aged 41 years, is an engineer from prestigious IVY League Brown University where he graduated with magna-cum-laude honors with a double degree in Engineering and Economics in 2001. Thereafter he worked with the world's leading financial firm, J P Morgan as an analyst in mergers & acquisition division in New York before returning to India.

He joined Kinetic Group in 2003 and has been an integral part of the senior management team at the Kinetic. From 2003 to 2009, he worked as senior vice president, sales and marketing and was involved in the marketing of Kinetic scooters and products. His achievements included successful launches of various models including Kinetic Blaze, Zing, Velocity, Aquila amongst others. He developed a new CIA for their 800 dealers and appointed over 150 new world class dealers. He was heading functions of advertising, marketing, logistics, dealer development, sales and service at Kinetic and was a key member in the Kinetic SYM joint venture and Kinetic's acquisition of Italjet Moto Spa, Italy.

In 2009, he took over as the Managing Director of Kinetic Engineering Limited.

**b. Past Remuneration**

The details of past remuneration drawn by the appointee are as under:

Rs. In lakhs

Particulars	2019-20	2018-19	2017-18
Salary and Allowances	58.30	51.96	54.24
Value of Perquisites (other than Stock Options)	0.15	0.15	4.15
Perquisite Value of Stock Options	-	-	-
Retiral Benefits	-	-	-
Total	58.45	52.11	58.39

c. Recognition or awards

Mr. Ajinkya A Firodia has received the prestigious 40 under 40 award by economic times in the year 2017 for his various achievements and initiatives. He has also received awards such as Hello! URJA awards for acumen in business, Lokmat Award for Icons in Pune, and has been featured in Femina's most Powerful 2019 - 2020.

d. Job profile and suitability

Mr. Ajinkya A Firodia is a young and energetic member of the management team and the board of directors of Kinetic. He has been instrumental in building a new business model focused on automotive systems at Kinetic. Since 2009, he has been instrumental in changing the company's entire business model from 2 wheelers to auto components, and has built a business focused 50% on exports to prestigious companies worldwide. He has turned around the operations of Kinetic Engineering Limited from a heavy debt loss making company to a profitable, growing company and continues to focus on the same, using his personal motto of "Stay in the Game"

e. Remuneration proposed

The remuneration paid / proposed to be paid is detailed hereinabove in the explanatory statement.

f. Comparative remuneration with respect to industry, size of the company, profile of the position and person

The proposed remuneration is comparable and commensurate with the size and nature of the business of the Company and the responsibility of the appointee.



g. Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any

Except Mr. Arun A Firodia, Dr. Jayashree Firodia and Ms. Sulajja Firodia Motwani, none of the director have pecuniary relationship directly or indirectly with the Company or its managerial personnel.

III. OTHER INFORMATION

1. Reasons for loss or inadequate profits

The last financial year 2020-21 started during the complete lockdown imposed by the government to control the COVID-19 pandemic. The world over various countries had imposed lockdowns which significantly affected sales for well over 2 quarters. This resulted in losses being incurred.

2. Steps taken or proposed to be taken for improvement

In view of the reduced level of operations during the first two quarters, the company initiated several measures to control costs which included rationalization of manpower, insourcing various components, developing new products for the EV segment, taking maximum advantage of the various support schemes launched by the government and also aggressively pursuing sales to recover lost demand. This has resulted in reaching net profit level in the last quarter of the financial year 2020-21.

3. Expected increase in productivity and profits in measurable terms

As a result of the actions initiated by the company and further investments proposed, the company expects to continue to maintain revenue growth and also maintain the profitability in the current year and beyond.

IV. DISCLOSURES

The Shareholders of the Company shall be informed of the remuneration package of the managerial person:

The details are furnished in the resolution.



BOARD'S REPORT 2020-21
(Including Management Discussion & Analysis)

Dear Members,

Your Directors present the 50th Annual Report on the business and operations of **Kinetic Engineering Limited** and the Audited Financial Statements for the financial year ended 31st March, 2021.

I. Financial Performance:

(INR in Lakhs)

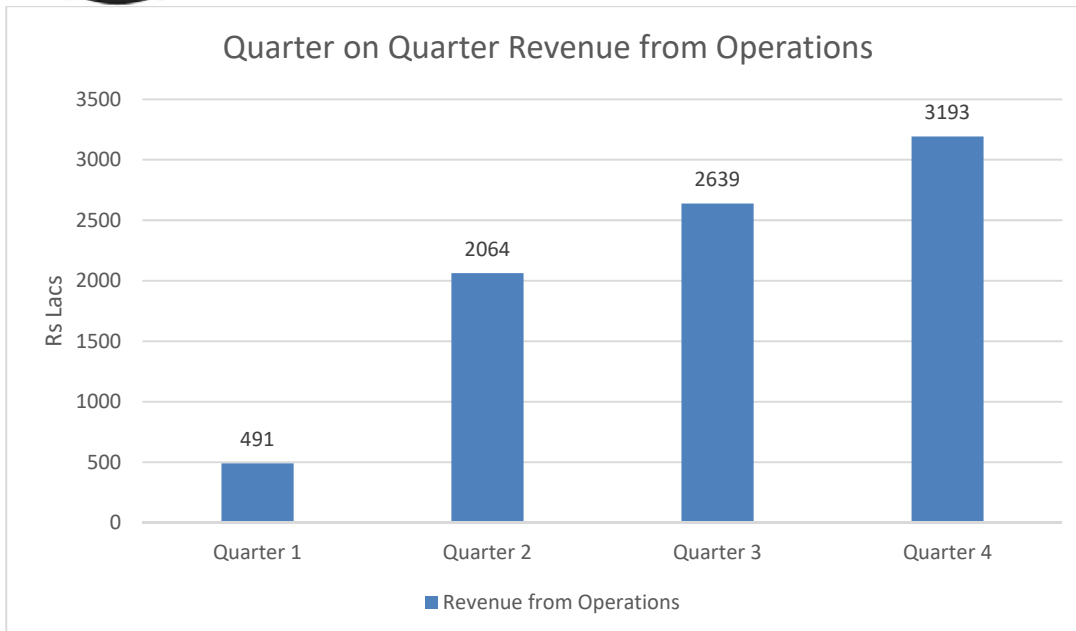
Particulars	31 st March, 2021	31 st March, 2020
Total Revenue	8703.47	11,849.86
Profit/ (Loss) before Interest, Depreciation, Tax and other Amortizations ("EBIDTA")	699.14	469.90
Less : Depreciation and Amortization Expenses	677.68	721.26
Finance Cost	644.39	660.38
Tax Expenses - Net	-	-
Profit/(Loss) for the year	(622.93)	(911.74)
Other Comprehensive Income	12.20	(30.71)
Total comprehensive income/(loss) for the year	(610.73)	(942.45)

Dividend:

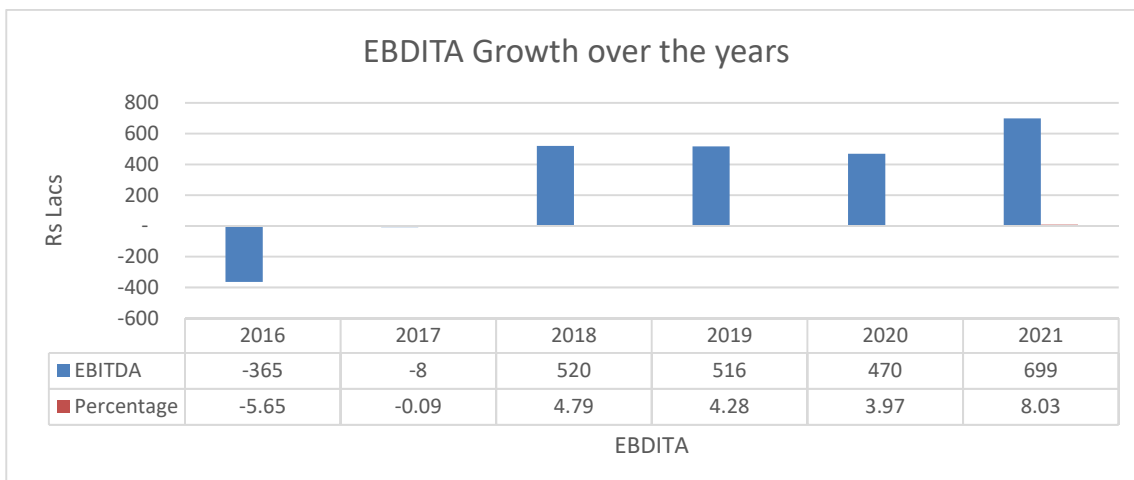
No dividend is recommended in view of the loss during the year under review.

II. Business:

During the previous financial year, your Company has consistently improved its performance quarter on quarter, culminating in a net profit of Rs 129 lacs in the last quarter of FY2020-21. The company has made net operating profit after a considerable period of time, with its ongoing efforts to successfully transform its business into auto components and systems; an initiative started about a decade ago. All this was achieved due to a healthy customer list and 50% export initiative undertaken, in spite of an extremely challenging year due to the COVID-19 pandemic. Your company recorded a revenue of Rs 87.03 crores in the Financial year 2020-21 compared to a revenue of Rs 118.5 crores for the previous year with a recovery seen after the wipe-out of the first quarter and next due to the nationwide lockdown. Your company, however, made special efforts to restart the operations as soon as it was allowed and has since been continuously improving performance, which is evident in the quarter on quarter growth in revenue as well as profit. We would like to specially recognize the efforts of our team members for the brave front on this.



The Company’s strategy of having a balance of domestic and export business, has helped in faster recovery of its operations once the economy started opening up across the globe. The company is witnessing a steady recovery across its customer base and it expects to maintain the current momentum. During the lockdown period and reduced activity level, the company undertook several initiatives to control costs, as was the need of survival, given the uncertain future, particularly manpower costs and rationalize operations. This helped the company to achieve highest EBDITA over the last 5 years and a net profit for the fourth quarter.



Commodity prices continued to grow this year, as per the continued trend in the market. Your company took various actions, including in sourcing, price increases, negotiations, and getting price



increases from its customer to maintain to the extent possible its material cost ratio. These efforts included price increases of products, further in sourcing of activities and other initiatives.

a) New products and capital expenditure:

The powertrain for the Electric vehicles that were developed by the company in the previous year has been receiving good response. However, due to the overall slowdown due to COVID-19, the movement has been slow. But given the push by the government, the company expects good growth potential for these products in the coming years. In view of the expected growth in the business and to reduce costs, the company has invested Rs. 137 L in CNC machines to insource some high volume parts. This is expected to reduce cash outflow of Rs. 10L/month, which will be EBDITA positive. The machines have been installed and commissioned now and the full benefit is expected in the current year.

b) Operations:

The company has maintained its operations with all the precautions as per the government guidelines issued from time to time. The company has undertaken rationalization of manpower to match the current operation level to maintain margin. The company also undertook maintenance activities of major machines during the reduced level of operations.

c) Employee Relations:

The Company has been undertaking regular training modules for its employees through internal and external faculties for developing and maintaining a better skilled work force and it has maintained cordial labor relations throughout the year.

Management Discussion and Analysis:

The year under review was an extra ordinary year, wherein the world over all activity had to be curtailed to prevent the COVID-19 pandemic. In India the recovery post unlocking has been quite remarkable. The GDP which crashed by 24.4% in the first quarter before recovering to a growth of 1.7% in the last quarter, with GDP contraction of 7.3% for the full year 2020-21. The recovery was led partly by the pent up demand coming back strongly across sectors and helped by the initiatives of the government.

The sale of passenger vehicles in the domestic market has shown a marginal decline of 2.5% in FY20-21 compared to FY19-20. The number of passenger vehicles sold in the domestic market declined to 27,11,457 in FY20-21 as against 27,73,519 in FY19-20. However, the export of passenger vehicles declined significantly by nearly 40% from 662,118 to 404,400.

The Commercial Vehicles however, which had already suffered a 30% decline in the previous year, got severely impacted with a further 20% decline to 558,569 nos as against 717,593 nos in FY19-20. Even the exports of commercial vehicles declined nearly 20% from 60,379 to 50,374 nos.



The result of the massive declines in passenger vehicles and commercial vehicles had a severe impact on the domestic revenue of the company. However, since the company has been exporting its products to countries such as Mexico, Chile, Brazil and US, directly or indirectly, the company was able to offset some of the loss through increased exports due to buoyant demand in these countries.

The tractor segment has maintained its momentum.

The tractor market, which is also a major segment to which the company supplies its products, actually showed a growth of about 26.5% from a level of 781065 nos in the FY19-20 to 988,308 nos in FY20-21. This helped the company start the operations quickly and also partly make up for the lost revenue.

The economic recovery being witnessed since fourth quarter of FY20-21 is seen to continue in the current financial year as well, barring a small impact during April and May due to the second wave of COVID-19, and the company is seeing consistently good order position in the months ahead.

Risks and Opportunities:

Market Risks:

The COVID-19 situation continues to be worrisome in some pockets of the country and a severe third wave may impact operations of some of our customers. However, the calibrated actions by different local government authorities are expected not to impact business operations, though demand for some of the products may reduce in the short term.

Currently, it appears that the pandemic has created greater awareness of having personal mobility, which is helping create demand for cars, two wheelers, three wheelers etc. However, there is a possibility that the current demand is pent up demand and the growth may slow in the coming quarters once the pent up demand is reduced. The semi-conductor shortages worldwide caused by the shift in production may impact overall automobile production, which will affect our customers as well.

The government's push for electric mobility is witnessing a strong response where several new EV products are being launched in the market. The company is investing in new products in the emerging segment of electric mobility, which will help the company to be at the forefront of the growth cycle.

Raw Material Risks:

The commodity prices have once again started going up, driven by increased demand across sectors. Several countries have initiated or initiating infrastructure projects, which is likely to lead to a multi-year commodity price increase cycle. This has also led to shortages, particularly for castings, and prices are unlikely to reduce anytime soon. This is expected to put increasing pressure on the working capital.



The company is in continuous discussion with steel suppliers and also adding new suppliers to ensure smooth supplies of steel and also customers to get price increases due to commodity price increase.

Government Policy Risks:

There have been several policy initiatives from the government, which are expected to give a boost to the demand for the company's customers. Policy of vehicle scrapping announced last year is expected to give a boost to automotive sector. Also, various incentives being announced by central as well as state governments, for electric vehicles is likely to lead to a greater demand for electric vehicles. Governments' push for infrastructure projects as announced in the budget, is expected to drive demand across sectors. However, the ground implementation of various announcements by the government will be key in deriving the expected benefits.

In order to maintain and help the economic recovery and growth, interest rates are expected to be maintained at least during the current financial year. However, consistent higher inflation may lead to rate increase in the later part of the financial year. This will have a negative impact on the company's net margin.

Opportunities:

The company has finalized new business with leading tractor manufacturer. It is also in discussion for several new parts for the same customer. The overall business potential for the business finalized is expected to be Rs. 10 crores at full volume.

The company is also in discussions with a leading automotive component manufacturer, part of a global car manufacturer, for new business to supply parts to its Indian operations as well as exports.

Additional business from Renault which was finalized, is also starting to ramp up and the company expects to achieve full volume by 2nd quarter of the current financial year.

New business from American Axle, which was ramped up in the last quarter of FY19, is also likely to demand higher quantities in the current year. This will benefit the company to generate additional export revenue.

The company has also started marketing the powertrain models developed for electric 3 wheelers. The response has been good, though due to the pandemic, the growth has been slow. The company is continuing to focus on generating volumes for these and expects to have a good business in the coming months.

Given the current market outlook and opportunities opening up and the initiatives taken by the management, the company is hopeful of continued profitable growth and a bright future in the coming years.



III. Corporate Governance

A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the provision of Listing Regulations, 2015 forms part of the Annual Report.

Board of Directors

Board's Composition and Independence

As on 31st March, 2021, our Board comprised of nine members, headed by a Non- Executive Chairman, one Executive Director and eight Non-Executive Directors where in five are Independent Directors. Two out of nine members are women directors. The composition of Board is in accordance with the requirements of Listing Regulations 2015 & Companies Act, 2013.

The Company has received necessary declarations from the Independent Directors stating that they meet the prescribed criteria for independence.

Directors and Key Managerial Personnel (KMP)

Directors

During the year under review, Mr. Rajiv Ishwarlal Ranka (DIN: 00392438) resigned from the position of the "Non-Executive Independent Director" of the Company with effect from 07th September, 2020 due to his increase in his professional pre-occupancies. He further confirmed that there is no other material reason behind his resignation.

Further, the Board at its meeting held on 20th October, 2020, has inducted Mr. Jinendra Hirachand Munot (DIN: 00049838) as an Independent Director on the Board of the Company, for a term of 5 years effective from 20th October, 2020. Also, the Board at its meeting held on 10th February, 2021, has inducted Mr. Venkataiah Madipalli (DIN - 00041420) as an Independent Director on the Board of the Company, for a term of 5 years effective from 10th February, 2021.

Ms. Sulajja Firodia Motwani (DIN: - 00052851), Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible offers herself for re-appointment.

Key Managerial Personnel (KMP)

During the year under review, following change occurred in the Key Managerial Personnel of the Company:

Name of the KMP	Nature of Change	Date	Category
Mr. Chaitanya Koranne	Appointment	20 th October, 2020	Chief Executive Officer



Board Meetings

The Board met seven (7) times during the financial year 2020-21 viz. 30th June, 2020, 14th September, 2020; 20th October, 2020, 10th November, 2020; 23rd December, 2020, 10th February, 2021 and 30th March, 2021.

Audit Committee

All the Committee members are Non-Executive Independent Directors. All the Members of the Committee possess sufficient accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committees also. The recommendations of the Audit Committee during the year were accepted by the Board.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, 2015, Independent Directors at their discussion, without the participation of the Non-Independent Directors and Management, evaluated the Boards' performance, Performance of the Chairman and other Non-Independent Directors.

The Board subsequently evaluated its own performance, the working of its Committees (Audit, Nomination and Remuneration and Stakeholders Relationship Committee) and Independent Directors (without participation of the relevant Director).

The criteria for performance evaluation have been detailed in the Corporate Governance Report which forms part of the Annual Report.

Remuneration Policy of the Company

The Remuneration policy of the Company comprising of the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Executives of the Company including criteria for determining qualifications, positive attributes, independence of the Directors and other related matters has been framed by Nomination and Remuneration Committee and has been briefed in Annexure-III to this Report.

Vigil Mechanism

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations, 2015, is implemented through the Company's Whistle Blower Policy to enable the Directors and employees of the Company to report genuine concerns, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

Whistle Blower Policy of the Company is available on the Company's website at www.kineticindia.com/investors.

**Information required under Sexual Harassment of Women at Work place**

The Company has in place, the requisite Internal Committee as envisaged in the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints on the issues covered by the above Act were received, during the year.

Contracts or Arrangements with Related Parties

As required under the Listing Regulations, 2015, Related party transactions are placed before the Audit Committee for approval. At the beginning of the financial year, prior approval of the Audit Committee is obtained on an omnibus basis for continual transactions. The corresponding actual transactions then become a subject of review by the Committee at subsequent meetings.

All related party transactions/arrangements entered into by the Company during the year, were on an arm's length basis and in ordinary course of business.

There were no materially significant related party transactions entered into by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which could conflict with the interest of the Company as a whole. Consequently, disclosures in form AOC-2 pursuant to Rule 8 (2) of the Companies (Accounts) Rules, 2014 are not required.

The policy on Related Party Transactions as approved by the Board is available on the Company's website at www.kineticindia.com/investors.

Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note 4 & 5 of Notes to the Financial Statements.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the Operating Management, and after due enquiry, confirm that:

- (a) In the preparation of the annual accounts for the Financial Year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The Directors had in consultation with Statutory Auditors, selected accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the Loss of the Company for the year ended on that date;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;



- (d) The Directors have prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down adequate Internal Financial Controls to be followed by the Company and such Internal Financial Controls were operating effectively during the Financial Year ended 31st March, 2021;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended 31st March, 2021.

Particulars of Employees and related disclosures:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said Rules.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure V of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant provision of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished without any fee.

IV. Audit and Internal Financial Control

Statutory Auditor

The members of the Company had approved the appointment of M/s Pawan Jain & Associates (FRN: 0107867W) Chartered Accountants, Pune to hold office for five years until the conclusion of Annual General Meeting to be held in the calendar year 2022 in accordance with the provisions of Section 139 of the Companies Act, 2013. However, as per amended Companies (Audit and Auditors) Amendment Rules, 2018, the requirement of ratification of appointment of auditors in subsequent general meetings has been done away with.

Auditors' Report

There are no qualifications, reservations or adverse remarks made by M/s Pawan Jain & Associates, Statutory Auditors, in their report for the financial year ended 31st March, 2021.



Pursuant to the provisions of Section 143(12) of the Companies Act, 2013, the statutory auditors have not reported any incident of fraud to the Audit Committee during the year under review.

Secretarial Audit - FY 2020-21

Mr. Dinesh Birla, proprietor of Dinesh Birla and Associates, Practicing Company Secretaries was appointed by the Board to conduct the audit of the Company's Secretarial Records in respect of the financial year 2020-21.

The report of the Secretarial Audit appears as Annexure - IV to this Report. There are no qualifications in the Report.

Secretarial Auditor - FY 2021-22

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Dinesh Birla, Practicing Company Secretary (Certificate of Practice No.: 13029) to undertake the Secretarial Audit of the Company for the financial year 2021-22.

Internal Control System and their adequacy

The Company has adequate internal control system commensurate with its size and nature of business for ensuring efficiency of operations, adherence to management policies and protection of company's assets. The Company's Audit Committee periodically reviews the internal control systems and compliance with Company's policies, procedures and laws.

V. Other Disclosures

Postal Ballot:

There was a Postal Ballot conducted during the financial year under review.

Deposits:

During the year under review, your Company had not accepted any deposits within the meaning of provisions of Chapter V - Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as Annexure I to this Report.



Extract of Annual Return:

Pursuant to section 134 and section 92 of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2021 in Form No. MGT- 9 is attached herewith as Annexure II and forms part of this Report. It is also available on the website of the Company at www.kineticindia.com.

Material changes and commitments between the end of the financial year and date of report:

There have been no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of the Report.

Cautionary Statement

The report contains estimates and expectations, which could be 'forward looking'. Actual results, however, might differ from estimates and expectations expressed or implied in this report, as the same are affected by many other uncertainties, including raw material availability & prices, changes in Government regulations, tax regimes, economic developments and other incidental factors.

Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

Acknowledgement

The Directors' express their sincere thanks to Central & State Governments, Financial Institutions, banks who have extended their support in form of Credit Facilities, suppliers and stakeholders for the support extended to the Company and also wish to place on record their appreciation of the dedicated services rendered by the employees of the Company.

On behalf of the Board of Directors
For Kinetic Engineering Limited

A. H. Firodia
Chairman
(DIN : 00057324)

Date: 12th August, 2021
Place: Pune.



Annexure I

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) Conservation of energy:

1. Details of steps taken during previous year for conserving electrical energy:

Sr. No.	Point Details	Saving	Saving in Amount (in Lakhs)
1	Maximum Demand Control Against Sanction of 2500 KVA	1887 KVA	
2	Ideal Machine Cut Off by Introducing Timers	490 KWH	0.04
3	Energy Efficient Tube Light to be replacing 250 W Mercury Fittings	1,58,400 KWH	14.26
4	Maintaining Power Factor Throughout Year	0.975	
6	Switch off Lights, Fan, Machines, Air Valves when Not Required		
7	Oil Leakage Arrest		
8	Air Leakage to be Stopped and Fixing Air Gun as per requirement		
9	Daily Shopwise, Cell wise Energy Audit And Record		
10	During 1 st Lock Down We Shut 1000 KVA, 2 Nos of Transformer, To Avoid Copper Loss and Benefit in Power Factor Maintaining.	0.05
11	We have replaced one Energy saving Screw Compressor 750 CFM,110 KW motor, Instead of CPT compressor 150 KW slipring Induction Motor,	2,01,600 KWH	18.14

2. Steps taken by the Company for utilizing alternative sources of energy: Nil
3. Capital Investment in energy conservation: Nil

**B) Technology Absorption**

I) The efforts made towards technology absorption:

1. Development of Rigid axle for electric three- Single speed and two speed- import substitute,
2. Up gradation of 380 Nm transmission with Carbon Lining Synchro.
3. Simulation and Analysis of Axle body to optimise thickness and reduce weight.
4. Endurance testing of axle 2Lac cycles on In-house build test rig for Rigid axle,
5. Vehicle level testing of axles for 10000 km.
6. Development of leaner and rotary welding SPM for Axle Body,
7. Build in-house two way boring SPM for Axle Body.

II) Benefits derived as a result of the above efforts:

- a. Development of import substitute for transmissions used in Electric Vehicles.
- b. Upgradation of existing transmissions for higher capacity.
- c. Savings on capital investments by developing in machinery.
- d. Reduction in foreign exchange outgo
- e. Improvements in Manufacturing methods and quality standards.
- f. Aiming towards self-sufficiency in engineering skills for manufacturing range of steering gears and connected products.
- g. Development of cost effective, high performance engineering products.
- h. Meet customer demands.

III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- **Nil**

IV) The Expenditure incurred on Research and Development: INR 173 Lakhs (Previous Year INR 162 Lakhs)

C) Foreign Exchange Earnings and Outgo:

The Company continues to strive to improve its export earnings. The information on foreign exchange earnings and outgo for the year under review are as under:

S. N.	Particulars	INR in Lakhs
1	Total foreign exchange earned in terms of actual inflows	3,695.66
2	Total foreign exchange outgo in terms of actual outflows	30.69

On behalf of the Board of Directors
For, Kinetic Engineering Limited

A. H. Firodia
Chairman
(DIN : 00057324)

Date: 12th August, 2021
Place: Pune.



ANNEXURE -II
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31st March, 2021

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L35912MH1970PLC014819
ii)	Registration Date	08/10/1970
iii)	Name of the Company	Kinetic Engineering Limited
iv)	Category / Sub-Category of the Company	Limited Company / Limited by Shares
v)	Address of the Registered office and contact details	D-1 Block, Plot No. 18/2, M.I.D.C, Chinchwad, Pune: 411019 T: 020 6614 2078/ 2088
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd Block no. 202, Akshay Complex Near Ganesh Temple, Off. Dhole Patil Road Pune - 411 001 (Phone: +91 20 26160084 26161629)

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
	Manufacturing of Auto Components	3748	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
NIL					



IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):

i) CATEGORY-WISE SHARE HOLDING

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April, 2020]				No. of Shares held at the end of the year [As on 31 st March, 2021]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	4471429	274694	4746123	26.80	4471429	274694	4746123	26.80	0.00
b) Central Govt	-	-	-		-	-	-	-	-
c) State Govt(s)	-	-	-		-	-	-	-	-
d) Bodies Corp.	3026105	927578	3953683	22.33	3250464	703219	3953683	22.33	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	7497534	1202272	8699806	49.13	7721893	977913	8699806	49.13	0.00
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	7497534	1202272	8699806	49.13	7721893	977913	8699806	49.13	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	12	682	694	0.00	12	682	694	0.00	0.00



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April, 2020]				No. of Shares held at the end of the year [As on 31 st March, 2021]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
c) Alternate investment funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital investors	-	-	-	-	-	-	-	-	-
e) Foreign portfolio Investor	64	192	256	0.00	64	192	256	0.00	0.00
f) Financial Institutions/ Banks	69774	2465	72239	0.40	110	2465	2575	0.01	0.00
g) Insurance Companies	-	-	-	-	69604	-	69604	0.39	0.39
h) Provident fund/ Pension fund	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):-	69850	3339	73189	0.41	69790	3339	73129	0.41	0.00
2. Central Govt./State Govt./ President of India	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
3. Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto INR 2 Lakhs.	2999335	421757	3421092	19.32	2770308	410612	3180920	18.00	(1.32)
ii) Individual shareholders	1407553	620710	2028263	11.45	1589388	620710	2210098	12.48	1.03



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April, 2020]				No. of Shares held at the end of the year [As on 31 st March, 2021]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
holding nominal share capital in excess of INR 2 Lakhs.									
b) NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (holding DRs)	-	-	-	-	-	-	-	-	-
e) Any Others (specify)	-	-	-	-	-	-	-	-	-
Trusts	44	18	62	<0.001	0	18	18	<0.001	0.00
Hindu Undivided Family	339802	0	339802	1.92	379033	85	379118	2.14	0.22
Foreign companies	519586	0	519586	2.93	519586	0	519586	2.93	0.00
Non - Resident Indians (Non Repatriation & Repatriation)	64595	24216	88811	0.50	63122	24280	87402	0.49	(0.01)
Overseas Bodies Corporate	0	342	342	<0.002	0	342	342	<0.002	0.00
Clearing Members	3606	0	3606	0.02	12443	0	12443	0.07	0.05
Bodies corporate	2532118	1944	2534062	14.31	2543815	1944	2545759	14.37	0.06
Sub-total (B)(3):-	7866639	1068987	8935626	50.46	7877695	1057991	8935686	50.46	0.00



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April, 2020]				No. of Shares held at the end of the year [As on 31 st March, 2021]				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public (B)= (B1+B2+B3)	7936489	1072326	9008815	50.87	7947485	1061330	9008815	50.87	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15434023	2274598	17708621	100	15434023	2274598	17708621	100	0.00

(ii) SHAREHOLDING OF PROMOTERS

Sr. No	Shareholder's Name	As on 01 st April, 2020			As on 31 st March, 2021			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Arun H. Firodia	141230	0.80	-	141230	0.80	-	0.00
2	Jayashree A. Firodia	3475222	19.62	-	3475222	19.62	-	0.00
3	Sulajja F. Motwani	616	<0.003	-	616	<0.003	-	0.00
4	Ajinkya A. Firodia	1129055	6.38	-	1129055	6.38	-	0.00
5	Micro Age Instruments Pvt. Ltd.	3953683	22.33	-	3953683	22.33	-	0.00



(iii) CHANGE IN PROMOTERS' SHAREHOLDING:

Sr. No	Name of Shareholder, Date and Reason of Change	As on 01 st April, 2020		As on 31 st March, 2021	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. Arun H. Firodia	141230	0.80	141230	0.80
2.	Dr. Jayashree Firodia	3475222	19.62	3475222	19.62
3.	Ms. Sulajja Firodia Motwani	616	<0.003	616	<0.003
4.	Mr. Ajinkya A. Firodia	1129055	6.38	1129055	6.38
5.	M/s. Micro Age Instruments Private Limited	3953683	22.33	3953683	22.33

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No	Name of the Shareholder	Shareholding at the beginning of the year- 1 st April, 2020		Change during the year (No. of Shares)		Cumulative Shareholding at the end of the year-31 st March, 2021	
		No. of Shares held	% of Shares	No. of Shares	% of Shares	No. of Shares held	% of Shares
1.	Ashoka Investment Holdings Limited	1750452	9.88				
	Sale/Purchase	Nil					
	At the end of the year					1750452	9.88
2.	Reliance Corporate Advisory Services Ltd.	599700	3.38				
	Sale /Purchase	Nil					
	At the end of the year					599700	3.38
3.	Harsha Hitesh Javeri	405000	2.29				
	Sale /Purchase	Nil					
	At the end of the year					405000	2.29
4.	AIA Singapore Private Ltd.	317910	1.80				
	Sale /Purchase	Nil					
	At the end of the year					317910	1.80



5.	AIA International Limited	201676	1.14				
	Sale /Purchase	Nil					
	At the end of the year					201676	1.14
6.	Hitesh Ramji Javeri	150013	0.85				
	Purchase			47411	0.27		
	At the end of the year					197424	1.10
7.	Neelam Vinod Ohri	0	0				
	Purchase		94000	0.53			
	At the end of the year					94000	0.53
8.	Bharati Bharat Dattani	68272	0.39				
	Purchase			23662	0.13		
	At the end of the year					91934	0.52
9.	Bharat Jamnadas Dattani	81183	0.45				
	Purchase			5147	0.03		
	Sale			(4089)	0.02		
	At the end of the year					82241	0.46
10.	Life Insurance Corporation of India	69604	0.39				
	Purchase			7594	0.04		
	At the end of the year					69604	0.39

(v) SHAREHOLDING OF DIRECTORS:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Arun H. Firodia	141230	0.80	-	141230	0.80	-	0.00
2.	Dr. Jayashree A. Firodia	3475222	19.62	-	3475222	19.62	-	0.00
3.	Ms. Sulajja F. Motwani	616	<0.003	-	616	<0.003	-	0.00
4.	Mr. Ajinkya A. Firodia	1129055	6.38	-	1129055	6.38	-	0.00



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
5.	Mr. Shirish R. Kotecha	0	0.00	-	0	0.00	-	0.00
6.	Mr. Ramesh J. Kabra	525	<0.003	-	525	<0.003	-	0.00
7.	Mr. Rohit P. Bafana	10302	0.05	-	10302	0.05	-	0.00
8.	Mr. Rajiv I. Ranka#	-	-	-	-	-	-	-
9.	Mr. Jinendra H. Munot*	28712	0.16	-	28712	0.16	-	.
10	Mr. Venkataiah Madipalli**	25	<0.001	-	25	<0.001	-	-

#Resigned as an Independent Director from 07.09.2020; * Appointed as Independent Director on 20.10.2020; ** Appointed as Independent Director on 10.02.2021

(vi) SHAREHOLDING OF KEY MANAGERIAL PERSONNEL:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Mr. Ajinkya A. Firodia	1129055	6.38	-	1129055	6.38	-	0.00
2.	Mr. Chaitanya Koranne	5	<0.00001	-	1255	0.00007	-	0.00
3.	Mr. Nikhil Deshpande	0	0.00	-	0	0.00	-	0.00



V. INDEBTEDNESS:

INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT:

(Amount in INR)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,61,42,593	55,22,99,048		74,14,41,641
ii) Interest due but not paid		1,24,08,604	-	1,24,08,604
iii) Interest accrued but not due		17,95,417		17,95,417
Total (i+ii+iii)	18,61,42,593	56,95,03,069		75,56,45,662
Change in Indebtedness during the financial year				
□ Addition	1,06,76,449	6,51,64,094	-	7,58,40,543
□ Reduction				
Net Change	1,06,76,449	6,51,64,094		7,58,40,543
Indebtedness at the end of the financial year				
i) Principal Amount	19,68,19,042	63,11,21,727		82,79,40,769
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not paid	-	35,45,436		35,45,436
Total (i+ii+iii)	19,68,19,042	63,46,67,163		83,14,86,206

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

(Amount in INR)

Particulars of Remuneration	Name of MD/WTD/Manager	Total
	Ajinkya A. Firodia (Managing Director)	
Gross Salary:		
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	58,29,600	58,29,600
(b) Value of perquisites us 17(2) Income Tax Act, 1961	15,000	15,000
(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-



Stock Option:	-	-
Sweat Equity:	-	-
Commission: -as % of profit - others, specify	-	-
Total	58,44,600	58,44,600

B. REMUNERATION TO OTHER DIRECTORS:

(I). INDEPENDENT DIRECTORS:

(Amount in INR)

Particulars of Remuneration	Name of the Independent Director		Total Amount
	Shirish Kotecha	Rohit Bafana	
Fee for attending Board/Committee Meetings	4,000	4,000	8,000
Commission	-	-	-
Others, please Specify	-	-	-
Total (I)	4,000	4,000	8,000

(II) OTHER NON-EXECUTIVE DIRECTORS:

(Amount in INR)

Particulars of Remuneration	Name of the Directors	Total Amount
	Jayashree A. Firodia	
Fee for attending Board/Committee Meetings	2,000	2,000
Commission		
Others, please Specify		
Total (II)	2,000	2,000
Total (B)=[I+II]		10,000



C. REMUNERATION OTHER THAN MD/ WTD/ MANAGER:

(Amount in INR)

Sr. No	Particulars of Remuneration	CEO	CS	Total
		Chaitanya Koranne	Nikhil Deshpande	
1.	Gross Salary:			
	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	31,27,083	11,27,035	42,54,118
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	3,77,129	28,700	4,05,829
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-
2.	Stock Option:	-	-	-
3.	Sweat Equity:	-	-	-
4.	Commission: -as % of profit - others, specify	-	-	-
5.	Others, Please Specify:	-	-	-
Total (C)		35,04,212	11,55,735	46,59,947

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA



POLICIES AT THE GLANCE

A. Preservation & Archival Policy:

Pursuant to Regulation 9 of Listing Regulations, 2015, the Board of Directors has adopted Policy on Preservation of Documents. This Policy envisages the procedure governing preservation of documents as required to be maintained under the various statutes. The Policy can be accessed from the Company's website at www.kineticindia.com/investors.

Pursuant to Regulation 30(8) of Listing Regulations, 2015, every listed company shall disclose on its website, all such events or information which have been disclosed to the stock exchange(s) under Regulation 30. Such disclosures shall be posted on the website of the company for a minimum period of five years and thereafter as per the archival policy of the company. Accordingly, the Board of Directors has approved the 'Archival Policy'. The Policy can be accessed from the Company's website at www.kineticindia.com/investors.

B. Policy on Determination of Materiality for Disclosures of Events or Information:

Pursuant to Regulation 30 of Listing Regulation 2015, the Board of Directors has adopted the Policy for Determination of Material Events or information. The objective of the Policy is to ensure timely and adequate disclosure of material events or information. The Policy can be accessed from the company's website at www.kineticindia.com/investors.

C. Remuneration Policy:

The Company had framed a remuneration policy to review the existing tenure of all its directors and criteria for the appointment/re-appointment of directors wherein it takes into account, various factors viz. remuneration package offered to Senior Directors in the automobile and engineering industry, trends in industry, financial position of the Company, performance of the Executive Directors, their qualifications, experience and past remuneration, terms of employment, etc. The components of remuneration include Basic Salary, Allowances, Perquisites and Retirement Benefits. The Policy can be accessed from the company's website at www.kineticindia.com/investors.

D. Whistle Blower Policy:

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Policy can be accessed from the company's website at www.kineticindia.com/investors.



ANNEXURE IV

**Form No. MR 3
Secretarial Audit Report**

(For the year ended 31st March, 2021)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
Kinetic Engineering Limited
D 1 Block, Plot No. 18/2
Chinchwad, Pune 411019.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kinetic Engineering Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Kinetic Engineering Limited** ("The Company") for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended by Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended by The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
Not Applicable as the Company has not issued or listed any such securities during the financial year under review.
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
Not Applicable as the Company has not issued and listed any debt securities during the financial year under review
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
Not Applicable as the Company has not bought back/propose to buyback any of its securities during the financial year under review
- i. the Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited; and
- j. The Memorandum and Articles of Association.

Since the Company is engaged in manufacture of Auto components and accessories thereof. There are no specific laws applicable to such sector.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no major decisions, specific actions/ events have occurred which has major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Dinesh Birla & Associates
Company Secretaries**

**Dinesh Birla
Proprietor
FCS: 7658, CP No.: 13029
UDIN: F007658C000774446**

**Place: Pune
Date: 12.08.2021**

Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms an integral part of this report.



Annexure - A

To,
The Board of Directors
Kinetic Engineering Limited
D 1 Block, Plot No. 18/2
Chinchwad, Pune 411019.

Our Secretarial Audit report of even date is to be read together with this letter:

I further report that:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes, as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. Wherever required, I have obtained Management representation(s) about the compliance of Laws, Rules, regulations and happening of events etc.
4. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, and Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. We have also relied on the documents and evidences provided on email to us, in view of the prevailing pandemic situation of COVID -19.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For Dinesh Birla & Associates
Company Secretaries**

**Dinesh Birla
Proprietor
FCS: 7658, CP No. : 13029
UDIN: F007658C000774446**

**Place: Pune
Date: 12.08.2021**



ANNEXURE V

Information pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the financial year ended 31st March, 2021

Name	Designation	Ratio of remuneration to the median remuneration	% increase in the remuneration in the financial
Arun H Firodia	Chairman Non-Executive Director	NA*	NA*
Jayashree A Firodia	Non-Executive Director	NA*	NA*
Sulajja Firodia Motwani	Non -Executive Director	NA*	NA*
Ajinkya A Firodia	Managing Director	16.24	No Change
Shirish Kotecha	Independent Director	NA*	NA*
Ramesh Kabra	Independent Director	NA*	NA*
Rohit Bafana	Independent Director	NA*	NA*
Jinendra Munot	Independent Director	NA*	NA*
Madipalli Venkataiah	Independent Director	NA*	NA*
Chaitanya Koranne	Chief Executive Officer	10.46	-
Nikhil Deshpande	Company Secretary	NA#	NA#

*Do not draw any remuneration from the Company.

#Ratio of Remuneration to the median remuneration and % increase in the remuneration in the financial year cannot be calculated since employed for part of the year.

2. The median remuneration of the employees of the Company during the financial year ended 31st March, 2021 was Rs 3,34,911.
3. The percentage increase in the median remuneration of employees in the financial year was 5.55%
4. The number of permanent employees on the rolls of the Company: 510
5. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: N.A
6. We confirm that the remuneration is as per the remuneration policy recommended by the Nomination and Remuneration Committee of the Company and adopted by the Company.



**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR ENDED
31ST MARCH, 2021.**

1. Corporate Governance Philosophy:

The Corporate Governance standards demonstrate inalienable rights vested with various stakeholders, and strong commitment to values, ethics and business conduct. The Company is committed to good corporate governance, based on an effective Independent Board, separation of supervisory role from the executive management and the constitution of committees to oversee critical areas thus upholding the standards practically at every sphere ranging from action plans to performance measurement and consumer satisfaction.

Kinetic Engineering Limited Corporate Governance philosophy is about intellectual honesty, whereby the governance is not just about encompassing regulatory and legal requirements but also strives to enhance stakeholders' value as a whole. The Company's philosophy includes protection and facilitation of shareholders' rights, provide adequate and timely information and ensuring equitable treatment to all shareholders. The Company also ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership and governance of the Company.

2. Board of Directors:

2.1 We believe that our Board needs to have an appropriate mix of executive, non-executive and independent directors to maintain its independence, and separate its functions of governance and management. The SEBI (Listing Obligations and Disclosure Requirements) 2015 (hereby referred to as "Listing Regulations, 2015") mandate that for a Company with a Non-Executive Chairman, who is a promoter, at least fifty percent of the Board should comprise of independent Directors.

As on 31st March, 2021, our Board comprised nine members, consisting of a Non- Executive Chairman, one executive director and eight Non-Executive Directors where in five are Independent Directors. Two out of nine members are Women Directors. The composition of Board is in accordance with the requirements of Listing Regulations, 2015 & Companies Act, 2013.

All the directors possess the requisite qualifications and experience in corporate management and finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

All the Independent Directors of the Company furnish declaration annually that they qualify the conditions of their being independent. All such declarations are placed before the Board. Further all the Directors provide declarations annually that they have not been disqualified to act as Director under Section 164 (2) of the Companies Act, 2013.



2.2 The Composition of the Board as on 31st March, 2021 and category of Directors are as under:

Name of the Director	Designation	Category	No of other Directorships held #	No. of Independent Directorships held in Listed Companies#	No. of other Board committees ##	
					Chairman	Member
Mr. Arun H. Firodia	Chairman	Promoter/ Non-Executive	2	NIL	-	-
Dr. Jayashree A. Firodia	Director	Promoter/ Non-Executive	3	NIL	-	-
Ms. Sulajja. F. Motwani	Director	Promoter/ Non-Executive	1	NIL	-	-
Mr. Ajinkya A. Firodia	Director	Promoter/ Executive	4	NIL	-	-
Mr. Shirish R. Kotecha	Director	Independent	2	NIL	-	-
Mr Ramesh J. Kabra	Director	Independent	0	NIL	-	-
Mr Rohit P. Bafana	Director	Independent	0	NIL	-	-
Mr. Jinendra H. Munot*	Director	Independent	0	NIL	-	-
Mr. Venkataiah Madipalli**	Director	Independent	0	NIL	-	-

#Excludes Directorship in Indian Private limited companies, Foreign companies, Companies registered under Section 8 of the Companies Act, 2013 and Directorship in Kinetic Engineering Limited.

Committees considered are Audit Committee and Stakeholders Relationship Committee in Public Companies excluding Kinetic Engineering Limited.

* Mr. Jinendra H. Munot appointed as Independent Director on 20.10.2020;

** Mr. Venkataiah Madipalli appointed as Independent Director on 10.02.2021.

2.3 None of the Directors of the Company holds membership of more than ten Board Committees or holds Chairmanship of more than five Board Committees.

2.4 Attendance of Directors at Board Meetings and at the last Annual General Meeting:

During the year under review, seven (7) Board Meetings were held on 30th June, 2020, 14th September, 2020, 20th October, 2020, 10th November, 2020, 23rd December, 2020, 10th February, 2021 & 30th March, 2021. The maximum time gap between any two Board Meetings was not more than one hundred twenty days.



The details of Attendance of Directors at the Board Meetings and at the last Annual General Meeting are as hereunder:

Name of the Director	Board meeting held during the tenure of the Director	Board Meeting Attended	Attendance at the last AGM held on 25 th November, 2020
Mr. Arun H. Firodia	7	7	Yes
Dr. Jayashree A. Firodia	7	7	Yes
Ms. Sulajja F. Motwani	7	5	Yes
Mr. Ajinkya A. Firodia	7	7	Yes
Mr. Shirish R. Kotecha	7	7	Yes
Mr. Ramesh J. Kabra	7	2	Yes
Mr. Rohit P. Bafana	7	5	Yes
Mr. Rajiv I. Ranka*	1	1	NA
Mr. Jinendra H. Munot**	4	3	Yes
Mr. Venkataiah Madipalli***	1	0	NA

* Mr. Rajiv I. Ranka resigned as Independent Director on 07.09.2020;

** Mr. Jinendra H. Munot appointed as Independent Director on 20.10.2020;

** Mr. Venkataiah Madipalli appointed as Independent Director on 10.02.2021.

2.5 Pecuniary relationship or transactions of Non-Executive Directors: Nil

3. Audit Committee:

3.1 Brief description of Terms of Reference:

The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the Independent Auditors and notes the processes and safeguards employed by each of them. The audit committee is responsible to select, evaluate and where appropriate, replace the independent auditors in accordance with the law. All possible measures are taken by the committee to ensure the objectivity and independence of Independent auditors.

3.2 Composition of Committee during the year under review:

The Committee is comprised solely of Independent Directors and is in compliance with the requirements of Section 149 of the Companies Act, 2013 & Regulation 18 of the Listing Regulations, 2015 during the financial year 2020-21:



Name of the Director	Category	Status
Mr. Shirish Kotecha	Independent Director	Chairman
Mr. Ramesh Kabra	Independent Director	Member
Mr. Rohit Bafana	Independent Director	Member
Mr. Rajiv Ranka*	Independent Director	Member
Mr. Jinendra H. Munot**	Independent Director	Member
Mr. Venkataiah Madipalli***	Independent Director	Member

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

3.3 Meetings and attendance during the year under review:

During the year under review, six (6) Meetings of the Audit Committee were held on 30th June, 2020; 14th September, 2020; 20th October, 2020; 10th November, 2020; 10th February, 2021 & 30th March, 2021. Details of attendance of the Members at the meeting were as follows:

Name of the Director	No. of Meetings held during the Year	No. of Meetings attended
Mr. Shirish Kotecha	6	6
Mr. Ramesh Kabra	6	3
Mr. Rohit Bafana	6	4
Mr. Rajiv Ranka*	6	1
Mr. Jinendra Munot**	6	2
Mr. Venkataiah Madipalli***	6	0

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

The Head of Finance Department, CEO, Internal Auditors, Representative of Statutory Auditors, and other Senior Executives members of the Company were also invited to attend the Audit Committee Meetings. The Company Secretary acts as a secretary to the Audit Committee.

4. Nomination and Remuneration Committee:

4.1 Brief description of Terms of reference:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;



- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity;
- Recommending to the Board on candidates for any Board vacancies that are to be filled.

4.2 Composition of Committee during the year under review:

The composition of the Nomination and Remuneration Committee for the year ended 31st March, 2021 is as follows: -

Name of the Director	Category	Status
Mr. Shirish Kotecha	Independent Director	Chairman
Mr. Ramesh Kabra	Independent Director	Member
Mr. Rohit Bafana	Independent Director	Member
Mr. Rajiv Ranka*	Independent Director	Member
Mr. Jinendra H. Munot**	Independent Director	Member
Mr. Venkataiah Madipalli***	Independent Director	Member

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

4.3 Meetings and attendance during the year under review:

During year under review, Two (2) Meetings of the Nomination and Remuneration Committee were held on 20th October, 2020 and 10th February, 2021. Details of attendance of the Members at the meeting were as follows:

Name of the Director	No. of Meetings held during the Year	No. of Meetings attended
Mr. Shirish Kotecha	2	2
Mr. Ramesh Kabra	2	2
Mr. Rohit Bafana	2	1
Mr. Rajiv Ranka*	2	0
Mr. Jinendra Munot**	2	1
Mr. Venkataiah Madipalli***	2	0

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

The Company Secretary acts as a secretary to the Nomination and Remuneration Committee Meeting.



4.4 Details of Remuneration:

The details of remuneration paid to Executive Directors, as required under Regulation 34 read with Schedule V of the Listing Regulations, 2015 during the financial year ended on 31st March, 2021 are as follows:

Sr. No.	Particulars of Remuneration	Name	Total (in INR)
		Ajinkya A. Firodia	
1	Gross salary		
	(a.)Salary as per Section 17(1)	58,29,600	58,29,600
	(b.)Perquisites us 17(2)	15,000	15,000
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	Others	-	-
	Total	58,44,600	58,44,600

All the above remuneration was fixed/ varies with respect to time-scale.

Details of Sitting Fees paid to Non-Executive Directors for attending Board/ Committee Meetings and their shareholding in the Company during the period ended on 31st March, 2021, are as follows:

Sr. No.	Name of the Non- Executive Director	Sitting Fees(in INR)	No. of Shares Held in the Company
1	Dr. Jayashree A. Firodia	2,000	34,75,222
2	Mr. Ramesh J. Kabra	-	525
3	Mr. Shirish R. Kotecha	4,000	-
4	Mr. Rohit P. Bafana	4,000	10,302
5	Mr. Rajiv I. Ranka*	-	-
6	Mr. Jinendra Munot**	-	28,712
7	Mr. Venkataiah Madipalli***	-	25

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

5. Stakeholders Relationship Committee

5.1 The Committee assists the Board and the Company in maintaining healthy relationships with all stakeholders. The Committee oversees the mechanisms for redressing grievances and complaints from stakeholders and reviews the matters connected therewith. The Company Secretary acts as a secretary to the Stakeholders Relationship Committee.



5.2 Composition of the Committee during the year under review:

The composition of the Stakeholders Relationship Committee for the year ended 31st March, 2021 is as follows: -

Name of the Director	Category	Status
Mr. Shirish Kotecha	Independent Director	Chairman
Mr. Ramesh Kabra	Independent Director	Member
Mr. Rohit Bafana	Independent Director	Member
Mr. Rajiv Ranka*	Independent Director	Member
Mr. Jinendra H. Munot**	Independent Director	Member
Mr. Venkataiah Madipalli***	Independent Director	Member

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

5.3 Meetings and attendance during the year under review:

During the period under review, two (2) meetings of the Stakeholders Relationship Committee were held on 30th June, 2020 and 14th September, 2020. Details of attendance of the Members at the meeting were as follows:

Name of the Director	No. of Meetings held during the Year	No. of Meetings attended
Mr. Shirish Kotecha	2	2
Mr. Ramesh Kabra	2	0
Mr. Rohit Bafana	2	2
Mr. Rajiv Ranka*	2	1
Mr. Jinendra Munot**	2	0
Mr. Venkataiah Madipalli***	2	0

* Mr. Rajiv Ranka has vacated his membership w.e.f. 07.09.2020;

** Mr. Jinendra Munot was inducted as member of the Committee effective from 20.10.2020;

*** Mr. Venkataiah Madipalli was inducted as member of the Committee effective from 10.02.2021.

5.4 Complaints/requests/ grievances during the year under review:

No. of shareholder's complaints/request received during the period under review	29
No. of complaints/request not resolved to the satisfaction of the shareholders	0
No. of pending Complaints/ request as on 31 st March, 2021	0



6. Evaluation of Board's performance:

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of the Board and Individual Directors, including the Chairman of the Board. The exercise was carried out through evaluation process covering various aspects.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

7. Meeting of Independent Directors:

As stipulated by code for Independent Directors under the Companies Act, 2013 and the Listing Regulations, 2015, a separate meeting of Independent Directors was held on 10th February, 2021 to review the performance of Non-Independent Directors and the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

8. Code of Conduct:

The Board of Directors has laid down Code of Conduct for Board Members and designated Senior Management and Employee of the Company. All Board Members and Senior Management personnel have affirmed compliance with these Codes of Conduct. The code of conduct is available on the website of the Company at www.kineticindia.com/investors. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

9. Code of Conduct for prohibition of insider trading:

The Company has adopted an Insider Trading policy to regulate, monitor and report trading by insiders under Securities and Exchange Board of India SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy also includes practices and procedures for fair disclosure of unpublished price-sensitive information, initial and continual disclosures. The policy is available on Company's website of the Company at www.kineticindia.com/investors.

10. Auditors' certificate on Corporate Governance:

As required under Schedule V of the Listing Regulations, 2015 the Auditors' certificate on Corporate Governance is enclosed as Annexure to the Board of Directors' report.

11. CEO and CFO certification:

As required by the Listing Regulations, 2015, the CEO and CFO certification is provided in this Annual Report.

12. Compliance Officer:

Mr. Nikhil Deshpande, Company Secretary is the Compliance Officer for complying with the requirements of Companies Act, 2013, SEBI Regulations, Secretarial Standards etc.



13. Annual General Meetings:

The details of the last three Annual General Meetings of the Company are as hereunder:

Year ended	Date of AGM	Time	Venue	Whether Special Resolution Passed or not	Details of Special Resolution passed
31 st March, 2020	25 th November, 2020	11.00 a.m.	Through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility. D-1 Block, Plot No. 18/2, Chinchwad MIDC, Pune - 411019	Yes	Appointment of Dr. Jayashree Arun Firodia (DIN :00328499) as Non-Executive Director who retired by rotation and being eligible offered herself for re-appointment.
31 st March, 2019	28 th August, 2019	11.00 a.m.	D-1 Block, Plot No. 18/2, Chinchwad MIDC, Pune - 411019	Yes	Appointment of Mr. Arun H Firodia (DIN 00057324) as Non-Executive Chairman who retired by rotation and being eligible offered himself for reappointment.
31 st March, 2018	29 th September, 2018	11.00 a.m.	D-1 Block, Plot No. 18/2, Chinchwad MIDC, Pune - 411019	None	-

14. Postal Ballot: -

During the year, the Company approached the shareholders once through Postal Ballot. The details of Postal Ballot for the financial year are as follows:

Date of Postal Ballot Notice: 10th February, 2021
2021

Voting Period: 13th February, 2021 to 14th March,

Date of approval: 15th March, 2021

Date of declaration of result: 15th March, 2021



Name of the Resolution	Type of Resolution	No. of Votes polled	Votes Cast in Favor	%	Votes Cast in Against	%
Issue of Equity Shares on Preferential basis to Mr. Ajinkya A. Firodia (DIN - 00332204), Managing Director and Promoter of the Company, on Conversion of Existing Unsecured Loan	Special Resolution	12318	12288	99.76	30	0.24
Appointment of Mr. Venkataiah Madipalli (Din - 00041420) as an Independent Director.	Special Resolution	7734211	7734181	100.00	30	0.0004

Remote e-voting and ballot voting at the AGM

To allow the shareholder to vote on the resolutions proposed at the AGM, the Company has arranged for a remote e-voting facility. The company has engaged CDSL to provide e-voting facility to all the members. Members, whose name appears on the register of members as **on Friday, the 17th September, 2021** shall be eligible to participate in the e-voting.

15. Disclosures:

- (i) **Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or management, their subsidiaries or relatives etc. that may have potential conflict with interests of Company at large:**

Normal trade transactions were entered into by the Company with the related parties. The Executive Directors were paid remuneration. The disclosures on related party transactions as per Accounting Standard 18 notified in the Companies (Accounting Standard) Rules, 2016, are given in Note No. 45 of Notes Forming part of the Financial Statements for the year ended on 31st March, 2021.

- (ii) There were no penalties, nor any restrictions imposed on the Company by SEBI or any Statutory authority, on any matter related to capital markets.
- (iii) The Company has complied with all mandatory requirements of the Listing Regulations, 2015, in respect of Corporate Governance.

16. Means of Communication:

The Company's quarterly/half-yearly/annual financial results are sent to Stock Exchange and published in 'Financial Express' and 'Loksatta' newspapers. Simultaneously, they are also hosted on Company's website - www.kineticindia.com. In terms of SEBI circular, the Company has designated an email address- kelinvestors@kineticindia.com for enabling investors to post their grievances and to enable timely action on investor grievances, if any.

**17. Press Releases, News Release:**

Official Press Releases are sent to Stock Exchange and are hosted on Company's website. No presentation was made to Institutional Investors or Analysts.

18. General Shareholders Information:

The 50th Annual General Meeting is proposed to be held on **Tuesday, 28th September, 2021** at 11:30 a.m. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') facility.

19. Financial Calendar (Tentative):

The tentative dates to declare unaudited/audited financials of the Company are as follows: -

Quarter Ending	Date
30 th June, 2021	12 th August, 2021 (declared)
30 th September, 2021	14 th November, 2021
31 st December, 2021	14 th February, 2022
31 st March, 2022	30 th May, 2022

a. Dividend Payment Date:

The Directors have not recommended any Dividend for the financial year ended on 31st March, 2021.

b. Listing of Shares on Stock Exchanges:

The shares of the Company are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai - 400 001.

c. Payment of Listing Fees:

Annual Listing Fee for the year 2020-21 has been paid by the Company to the stock exchange.

d. Payment of Annual Custodian Fees:

Annual Custodian fees for the year 2020-21 has been paid by the Company to the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL).

Stock Code and ISIN:

BSE (Equity Shares) : 500240
ISIN for equity shares : INE266B01017.

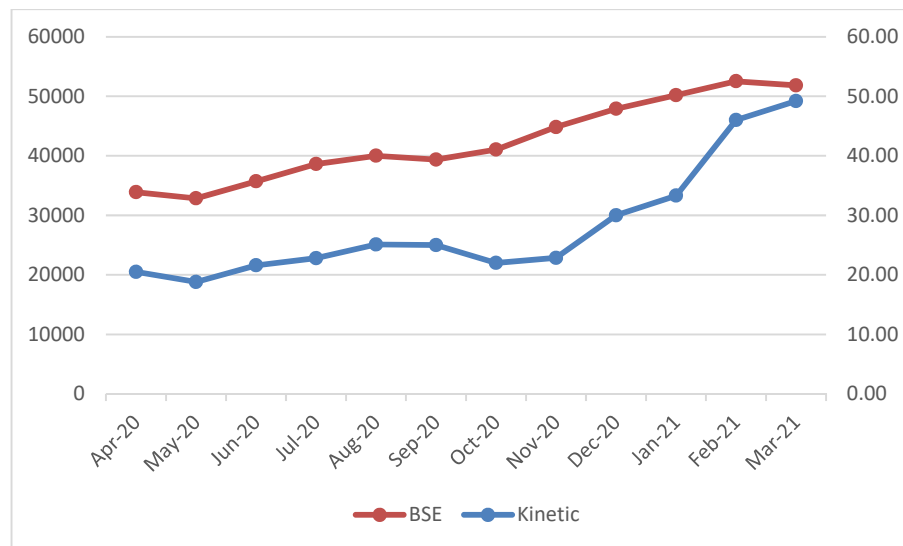


Stock Market Price Data (Source: Official Website of BSE www.bseindia.com):

Month & Year	KEL Share Price			BSE Sensex		
	High (In INR)	Low (In INR)	Close (In INR)	High	Low	Close
April, 2020	20.50	11.90	18.85	33887.25	27500.79	33717.62
May, 2020	18.80	15.15	15.60	32845.48	29968.45	32424.1
June, 2020	21.60	14.70	19.50	35706.55	32348.1	34915.8
July, 2020	22.80	16.90	17.60	38617.03	34927.2	37606.89
August, 2020	25.10	16.75	23.55	40010.17	36911.23	38628.29
September, 2020	25.00	19.15	21.05	39359.51	36495.98	38067.93
October, 2020	22.00	17.05	20.85	41048.05	38410.2	39614.07
November, 2020	22.85	19.05	22.55	44825.37	39334.92	44149.72
December, 2020	30.00	21.60	29.15	47896.97	44118.1	47751.33
January, 2021	33.30	26.00	28.60	50184.01	46160.46	46285.77
February, 2021	46.00	27.10	42.05	52516.76	46433.65	49099.99
March, 2021	49.20	38.45	40.05	51821.84	48236.35	49509.15

Performance in comparison to broad based BSE Sensex:

Kinetic Engineering Ltd (KEL) Share price on BSE vis-à-vis BSE Sensex (2020-21)



**Registrars and Transfer Agents:**

The Company's equity shares are compulsorily traded in Demat mode and hence transferable through the depository system. **Link Intime India Pvt Limited**, Akshay Complex, Block No. 202, 2nd Floor, Dhole Patil Road, Pune-411001 has been appointed as Company's Registrars and Transfer Agent as per SEBI's Circular for appointment of Common Agency to carry physical and electronic share registry work.

Share Transfer System:

All the transfers received are processed by the Registrars and Transfer Agent and approved by the Authorised Directors/ Company Secretary of the Company. The demat request which were received in physical form, were processed and the share certificates returned within a period of 30 days from the date of receipt, (as per the relaxation in time line granted for processing of Demat request vide SEBI letter no. NSDL/11/SEBI/PP/2150/2018 dated 24th January, 2019) subject to the documents being valid and complete in all respects.

Distribution of Shareholding as on 31st March, 2021:

Shareholding of Nominal value (INR)	No. of Shareholders	% of No. of Shareholders	Amount (INR)	% to paid-up Capital
Upto 1000	19,669	96.89	16595700	9.37
1001-2000	275	1.35	4115790	2.32
2001-3000	100	0.49	2494970	1.41
3001-4000	49	0.24	1733370	0.98
4001-5000	42	0.21	1970190	1.11
5001-10000	77	0.38	5464240	3.09
10001-100000	89	0.44	144711950	81.72
Total	20301	100.00	177086210	100.00

Shareholding Pattern as on 31st March, 2021:

Sr. No.	Category	No. of Shares	Percentage (%)
A)	Promoter and Promoter Group		
	Indian	8699806	49.13
	Foreign	0	0
	TOTAL (A)	8699806	49.13



B) (I)	Public Shareholding		
	Institutions:		
	Mutual Funds/UTI	694	<0.004
	Financial Institutions/Banks	2575	0.01
	Insurance Companies	69604	0.39
	Foreign Portfolio Investors	256	0
	Total B (I)	73129	0.41
(II)	Non- Institutions:		
	Bodies Corporate	2545759	14.37
	Individuals	5391018	30.44
	Clearing Members	12443	0.07
	NRI/ NRN	87402	0.49
	Foreign Companies	519586	2.93
	OCB	342	0.00
	Trusts	18	<0.0001
	HUF	379118	2.14
	NBFC	0	0
	Total B (II)	8935686	50.46
	TOTAL (B) [I+II]	9008815	50.87
	GRAND TOTAL(A+B)	17708621	100

Dematerialization of Shares:

The Company's Shares are compulsory traded on BSE in dematerialized form. As on 31st March, 2021, the details of the Shares of the Company held in physical and demat form are given below:

Sr. No.	Particulars	No. of Shares	% to the Capital
1.	Shares held in Physical Form	20,39,243	11.51
2.	Shares held in Demat Form - NSDL	1,35,92,813	76.76
3.	Shares held in Demat Form - CDSL	20,76,565	11.73
TOTAL		1,77,08,621	100.00

Outstanding GDRs/ADRs/Warrants: Not applicable as not issued.

Plant Locations:

The Company's plant is located at Ahmednagar- Daund Road, Ahmednagar (Maharashtra).



Address for correspondence:

Shareholder's correspondence may be addressed to the Registrars & Transfer Agent, **Link Intime India Pvt. Limited**, Block No. 202, Akshay Complex, 2nd floor, Dhole Patil Road, Pune - 411001. Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants. Investor grievances, queries, etc. can be additionally marked to kelinvestors@kineticindia.com

On behalf of the Board of Directors
For, Kinetic Engineering Limited

Date: 12th August, 2021
Place: Pune.

A. H. Firodia
Chairman
(DIN : 00057324)



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members,
Kinetic Engineering Limited
D1 Block, Plot No.18/2, MIDC Chinchwad
PUNE MH 411019

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kinetic Engineering Limited having CIN L35912MH1970PLC014819 and having registered office at D1 Block, Plot No.18/2, MIDC Chinchwad PUNE MH 411019 and (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	DIN	Name	Date of Appointment
1	00052851	Sulajja Firodia Motwani	04/05/1996
2	00057324	Arun Hastimal Firodia	01/07/1987
3	00170659	Shirish Ratanlal Kotecha	27/11/1987
4	00306688	Ramesh Jankiram Kabra	28/06/2014
5	00328499	Jayashree Arun Firodia	27/10/2017
6	00332204	Ajinkya Arun Firodia	06/04/2009
7	00590469	Rohit Prakash Bafana	13/02/2019
8	00049838	Jinendra Hirachand Munot	20/10/2020
9	00041420	Madipalli Venkataiah	10/02/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Dinesh Birla & Associates
Company Secretaries

Dinesh Birla
Proprietor
FCS: 7658, CP No. : 13029
UDIN: F007658C000774413

Place: Pune
Date: 12.08.2021



CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

I, Ajinkya A. Firodia, Managing Director of the Company hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed their compliance with the 'Code of Conduct for Members of the Board and Senior Management' in respect of financial year 2020-21 in terms of Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**On behalf of the board
For Kinetic Engineering Limited**

**Ajinkya A. Firodia
Managing Director & CFO
(DIN: 00332204)**

**Date: 12th August, 2021
Place: Pune**

CEO & CFO CERTIFICATION

The Chief Executive Officer and Chief Financial Officer have furnished a Compliance Certificate to the Board of Directors under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Chaitanya Koranne
Chief Executive Officer**

**Date: 12th August, 2021
Place: Pune**

**Ajinkya A. Firodia
Managing Director & CFO
(DIN: 00332204)**



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members
Kinetic Engineering Limited

This certificate is issued in accordance with the terms of our engagement with Kinetic Engineering Limited ('the Company').

We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

MANAGEMENTS' RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

AUDITOR'S RESPONSIBILITY

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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.

OPINION

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses



(b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2021.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Pawan Jain and Associates
Chartered Accountants
Firm's Registration No.: 0107867W

Pawan Jain
Partner
Membership No.: 032900
UDIN: - 21032900AAAAEJ6980

Date: 11/08/2021
Place: Pune



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
KINETIC ENGINEERING LIMITED

Opinion

We have audited the standalone financial statements of Kinetic Engineering Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid

standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2021, and its loss (financial performance including other comprehensive income), its changes in equity and cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone Financial Statements:

Refer Note- 44 describing the basis of company's ability to continue as a Going Concern.

Our opinion is not modified in respect of the above mentioned matters.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters



were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matters to be communicated in our report.

The key audit matters	How our audit addressed the key audit matter
<p>Revenue recognition: The Company is engaged in manufacture and supply of automotive components to its customers both in domestic and international markets. Effective April 01, 2018 company has applied Ind As-115 accordingly Revenue is recognised upon transfer of control of promised products and services to customers. (refer note-2.6 to standalone financial statements).</p> <p>Ind AS 115 has been implemented starting from 1 April 2018. As a consequence, the Company has analysed its various sales contracts and concluded on the principles for determining the point of time for recognition of revenue from the Company’s sales transactions.</p> <p>In view of the comprehensive change of the accounting standard applicable for the revenue and the re-evaluation of all contracts in this light, this aspect has been identified for enhanced attention in the audit.</p>	<p>Principal audit procedures: Our audit included but was not limited to the following activities:</p> <p>Control testing:</p> <ul style="list-style-type: none"> • Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls. <p>Test of details:</p> <ul style="list-style-type: none"> • Evaluated the Company’s procedure in place for implementing Ind AS 115 and assessed whether Company’s accounting principles comply with the new accounting standard. • Tested a sample of sales transactions for compliance with the Company’s accounting principles. • Performed data analytical procedures to identify and evaluate a sample of manual journal entries. • Traced disclosure information to accounting records and other supporting documentation.

Other Information

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the standalone financial statements and our auditors’ report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - A. As required by Section 143(3) of the Act, we report that:
 - (a.) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b.) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c.) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.



- (d.) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e.) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- (f.) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g.) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer Note 38;
 - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

For **Pawan Jain and Associates**
Chartered Accountants
Firm's Registration No.:
0107867W

Pune
June 29, 2021

Pawan Jain
Partner
Membership No.: 032900
UDIN: - 21032900AAAADF6146

**Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1 under the heading, “Report on Other Legal and Regulatory Requirements” of our report on even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As informed to us, the fixed assets are been physically verified by the management at regular intervals based on the programme of verification which in our opinion is reasonable. All the major fixed assets have been verified by the management in the current year and discrepancies noticed on such physical verification were not material and the same have been properly dealt with in the books of account.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. Physical verification of inventory has been conducted by the management during the current year. In our opinion, the interval of such verification is reasonable. As informed to us, discrepancies noticed on physical verification were not material and the same have been properly dealt with in the books of account.
- iii. The company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, clause (iii) a, b and c of the Order are not applicable to the Company.
- iv. According to the information and explanations provided to us, in respect of loans, investments, guarantees, and security; provisions of section 185 and 186 of the Companies Act, 2013 have been complied with wherever applicable.
- v. According to information and explanation provided to us, the Company has not accepted deposits, hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to the Company. According to information and explanation



provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

- vi. As informed to us, the cost records, pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 are not applicable to the company.
- vii. (a) According to the records of the company, it is generally regular in depositing undisputed statutory dues of, provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues with the appropriate authorities except depositing dues of Provident Fund where there are delays.

According to the information and explanation provided to us, undisputed amounts payable in respect of Provident Fund amounting to Rs. 5.93 Lakhs was in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanation provided to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Service tax or duty of Customs or duty of Excise or Value added tax or entry tax, which have not been deposited by the Company on account of disputes, except for the following:

Nature of Dues	Amount in (Rs) Lacs	Forum where dispute is pending
Income Tax 2000-01	1.29	ITAT, Pune
Income Tax 2011-12	0.24	CIT Appeals Pune
CST 1994-95, 99-00, 00-01, 02-03, 03-04, 08-09, 07-08, 09-10	56.58	Appellate Dy. Commissioner commercial Tax, Indore
CST 1998-99, 2001-02	27.27	Appellate Dy. Commissioner commercial Tax, Indore
CST (Pune) 2014-15	7.76	Dy. Commissioner Sales tax, Pune
Entry Tax 1994-95, 95-96, 2007-08	8.41	Dy. Commissioner Commercial Tax, Indore
MP Commercial Tax 1998-99	1.88	Appellate Dy. Commissioner commercial Tax, Indore
MP Commercial Tax 1999-00, 2007-08, 2008-09	9.16	Appellate Dy. Commissioner commercial Tax, Indore
VAT (Pune) 2014-15	32.61	Dy. Commissioner Sales tax, Pune
Excise Duty	171.19	CESTAT, Mumbai and Nagpur

- viii. Based on our Audit procedures and according to the information and explanation provided to us, the Company has not defaulted in repayment of dues to a financial institution, bank or government except an amount of Rs 152 lakhs payable to Council of Scientific and Industrial Research (CSIR) which was due on 16th November, 2020. We are informed that company's request for restructuring the same in view of Covid pandemic, is under consideration with CSIR. The Company does not have any debenture holders.
- ix. According to information and explanation provided to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Company



has raised moneys by way of term loans from the bank during the year and were applied for the purposes for which those are raised.

- x. Based upon the Audit procedures performed by us and according to the information and explanations provided to us by the management, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported to us during the year.
- xi. In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and accordingly, Clause (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanation provided to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanation provided to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanation provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Pawan Jain And Associates**
Chartered Accountants
Firm's Registration No.: 0107867W

Pune
June 29, 2021

Pawan Jain
Partner
Membership No.: 032900
UDIN: - 21032900AAAADF6146

**Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 1(A) (f) under the heading, “Report on Other Legal and Regulatory Requirements” of our report on even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Kinetic Engineering Limited** (the “Company”) as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our Audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an Audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the Audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our Audit involves performing procedures to obtain Audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the Audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit opinion on the Company’s internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for internal financial control over financial reporting established by Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Pawan Jain And Associates**
Chartered Accountants
Firm's Registration No.: 0107867W

Pawan Jain
Partner
Membership No.: 032900
UDIN: - 21032900AAAADF6146

Pune
June 29, 2021



KINETIC ENGINEERING LIMITED			
Balance Sheet as at March 31,2021			
PARTICULARS	Note	(Rs In Lakhs)	
		March 31, 2021	March 31, 2020
ASSETS			
1) Non-current assets			
a) Property, Plant & Equipment	3	7,242.43	7,756.56
b) Capital work-in-progress		0	0
c) Other Intangible Assets	3	3.48	3.12
d) Financial Assets			
(i) Investments	4	560.24	542.29
(ii) Other	5	444.51	454.57
e) Deferred Tax Assets	6	-	-
f) Other Non-Current Assets	7	93.17	61.03
		8,343.84	8,817.57
2) Current assets			
a) Inventories	8	2,991.20	2,977.81
b) Financial Assets			
(i) Investments	4	0.11	0.11
(ii) Trade receivables	9	2,717.61	2,364.94
(iii) Cash and cash equivalents	10	14.88	72.66
(iv) Bank Balances other than (iii) above	11	11.80	11.80
(v) Loans	12	3.65	3.65
(vi) Others	13	10.05	5.20
c) Current Tax Assets(Net)	14	39.25	151.22
d) Other current assets	15	367.91	382.33
		6,156.46	5,969.71
TOTAL		14,500.30	14,787.28
EQUITY AND LIABILITIES			
Equity			
a) Share Capital	16	1,770.86	1,770.86
b) Other Equity	17	-999.58	-388.86
		771.28	1,382.00
Liabilities			
1) Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	18	3,640.28	3,453.93
b) Provisions	19	391.66	490.74
c) Other Non-Current Liabilities	20	1,244.07	1,061.00
		5,276.01	5,005.67
2) Current liabilities			
a) Financial Liabilities			
(i) Borrowings	21	2,932.70	2,464.97
(ii) Trade payables	22	4,054.82	4,046.43
(iii) Others	23	548.61	949.97
b) Provision	25	606.67	538.24
c) Other Current Liabilities	24	310.20	400.00
		8,453.01	8,399.61
TOTAL		14,500.30	14,787.28
Summary of significant accounting policies	2		
Notes are integral part of the financial statements			
As per our report of even date For Pawan Jain And Associates Chartered Accountants		For and on behalf of Board of Directors For Kinetic Engineering Limited	
Pawan Jain Partner Membership Number- 032900 Firm Reg No.:0107867W Place : Pune Date : 29th June, 2021 UDIN:- 21032900AAAADF6146		A. H. Firodia (Chairman) DIN:00057324	
		A. A Firodia (Managing Director & CFO) DIN:00332204	
		Chaitanya Koranne (Chief Executive Officer)	



KINETIC ENGINEERING LIMITED			
Statement of Profit and Loss for the year ended March 31,2021			(Rs In Lakhs)
PARTICULARS	Note	March 31, 2021	March 31, 2020
INCOME :			
a) Revenue from Operations	26	8,386.94	11,574.70
b) Other income	27	316.54	275.16
Total Income		8,703.47	11,849.86
EXPENSES :			
a) Cost of materials consumed	28	4,452.38	6,192.24
b) Changes in inventories of finished goods and work-in-progress		(100.36)	124.23
c) Employee benefits expenses	30	1,738.48	2,476.46
d) Finance costs	31	644.39	660.38
e) Depreciation and amortization expenses	3	677.68	721.26
f) Other expenses	32	1,913.84	2,587.04
Total Expenses		9,326.40	12,761.60
Profit/(Loss) before exceptional items and tax		(622.93)	(911.74)
Exceptional items		-	-
Profit/(Loss) before tax		(622.93)	(911.74)
Tax expenses :			
a) Current tax		-	-
b) Deferred tax		-	-
Profit (Loss) for the year		(622.93)	(911.74)
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
(i) Re-measurement of net defined benefit plan		12.20	(30.71)
(ii) Income Tax Effect		-	-
Total Other Comprehensive Income		12.20	(30.71)
Total Comprehensive Income for the year		(610.73)	(942.45)
Earnings Per Share (Nominal value per share Rs. 10)			
Basic		(3.45)	(5.32)
Diluted		(3.45)	(5.32)
Summary of significant accounting policies	2		
Notes are integral part of the financial statements			
As per our report of even date For Pawan Jain & Associates Chartered Accountants		For and on behalf of Board of Directors For Kinetic Engineering Limited	
	A. H. Firodia (Chairman) DIN:00057324	A. A Firodia (Managing Director & CFO) DIN:00332204	
Pawan Jain Partner Membership Number- 032900 Firm Reg No.:0107867W Place : Pune Date : 29th June, 2021 UDIN:- 21032900AAAADF6146	Chaitanya Koranne (Chief Executive Officer)		



KINETIC ENGINEERING LIMITED

Statement of Cash Flows For the period ended March 31,2021

PARTICULARS	Rs in Lakhs	
	March 31, 2021	March 31, 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) for the year	(610.73)	(942.45)
Adjustment For :		
Depreciation	677.68	721.26
Interest & Finance charges (Net)	416.63	438.83
Dividend Received	(4.30)	(3.97)
Excess provision / credit balances written back	-	-
Unrealised gain on fair valuation of Investment	(17.95)	(11.81)
Unrealised Exchange difference loss / (gain)	(9.60)	(54.40)
Profit (-) / Loss (+) on sale of Investments	-	-
Profit (-) / Loss (+) on sale of Assets	(5.75)	-
Operative Profit before Working Capital Changes	445.99	147.45
Adjustment for net change in:		
Trade and Other Receivables	(318.59)	641.40
Inventories	(13.39)	129.44
Trade & Other payables	(155.11)	(252.44)
Cash generated from operations	(41.11)	665.85
Direct Taxes	111.97	(12.15)
Net Cash Generated from operating activities	70.86	653.69
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment and Intangible Assets	(194.55)	(187.59)
Sale of Property, Plant & Equipment and Intangible Assets	8.03	-
Sale of Investment (Net)	-	119.14
Dividend received	4.30	3.97
Interest Received	7.81	6.30
Net Cash used in investing activities	(174.41)	(58.17)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	(86.79)	(205.60)
Proceeds from Short Term Borrowings	556.73	131.60
Interest and Financial Charges paid	(424.17)	(468.88)
Redemption premium paid	-	(14.00)
Net Cash used in financing activities	45.77	(556.88)
D. Net change in Cash and cash equivalents (A+B+C)	(57.78)	38.64
Cash and Cash Equivalents (Opening)	72.66	34.02
Cash and Cash Equivalents (Closing)	14.88	72.66

Notes : 1. Figures in brackets represent cash outflows.
 2. Previous year figures have been regrouped wherever necessary.
 3. Cash and cash equivalents comprises of :

	March 31, 2021	March 31, 2020
Cash on hand	0.15	0.14
Balances with banks	14.73	72.52
	14.88	72.66

As per our report of even date
 For **Pawan Jain & Associates**
 Chartered Accountants

For and on behalf of Board of Directors
 For **Kinetic Engineering Limited**

A. H. Firodia
 (Chairman)
 DIN:00057324

A. A Firodia
 (Managing Director & CFO)
 DIN:00332204

Pawan Jain
 Partner
 Membership Number- 032900
 Firm Reg No.:107867W
 Place : Pune
 Date : 29th June, 2021
 UDIN:- 21032900AAAADF6146

Chaitanya Koranne
 (Chief Executive Officer)



KINETIC ENGINEERING LIMITED

Statement of changes in equity for the year ended March 31, 2021

A. Equity share capital

PARTICULARS	Rs. In Lakhs	
	Number	Amount
As at April 01, 2019	17,708,621	1,770.86
Changes in equity share capital	-	-
As at March 31, 2020	17,708,621	1,770.86
Change in equity share capital	-	-
As at March 31, 2021	17,708,621	1,770.86

B. Other equity

PARTICULARS	Preference Shares	Capital Reserve	Securities premium reserve	General reserve	Special Reserve	Retained Earnings/Surplus	Other Comprehensive Income	Rs. In Lakhs
								Total
As at April 01, 2019	1,963.52	3,535.19	9,384.06	8,669.25	0.46	(22,903.22)	(95.66)	553.59
Increase/ (Decrease)	-	-	-	-	-	-	(30.71)	(30.71)
Profit/(Loss) for the year	-	-	-	-	-	(911.74)	-	(911.74)
Changes during the year	-	-	-	-	-	(911.74)	(30.71)	(942.45)
Balance as at March 31, 2020	1,963.52	3,535.19	9,384.06	8,669.25	0.46	(23,814.96)	(126.37)	(388.86)

PARTICULARS	Preference Shares	Capital Reserve	Securities premium reserve	General reserve	Special Reserve	Retained Earnings/Surplus	Other Comprehensive Income	Rs. In Lakhs
								Total
As at April 01, 2020	1,963.52	3,535.19	9,384.06	8,669.25	0.46	(23,814.96)	(126.37)	(388.86)
Increase/ (Decrease)	-	-	-	-	-	-	12.20	12.20
Profit/(Loss) for the year	-	-	-	-	-	(622.93)	-	(622.93)
Changes during the year	-	-	-	-	-	(622.93)	12.20	(610.73)
Balance as at March 31, 2021	1,963.52	3,535.19	9,384.06	8,669.25	0.46	(24,437.89)	(114.17)	(999.58)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For **Pawan Jain And Associates**
Chartered Accountants

For and on behalf of Board of Directors
For **Kinetic Engineering Limited**

A. H. Firodia
(Chairman)
DIN:00057324

A. A Firodia
(Managing Director & CFO)
DIN:00332204

Pawan Jain
Partner
Membership Number- 032900
Firm Reg No.:0107867W
Place : Pune
Date : 29th June, 2021

Chaitanya Koranne
(Chief Executive Officer)

UDIN:- 21032900AAAADF6146

**Kinetic Engineering Limited****Notes to Financial Statements for the year ended March 31, 2021****1. The corporate overview**

Kinetic Engineering Limited ('the company') is a public limited company domiciled in India and incorporated under the provisions of Indian Companies Act. The Registered Office of the Company is situated at D-1 Block, Plot No. 18/2, MIDC, Chinchwad, Pune. The company's ordinary shares are listed on the Bombay Stock Exchange.

The company is engaged in the business of supply of automotive components. The company caters to both domestic and international markets.

2. Significant accounting policies**2.1 Statement of Compliance**

The financial statements of the company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors at its meeting held on June 29, 2021.

2.2 Basis of preparation

The financial statements have been prepared on a historical cost basis, except certain financial instruments and defined benefit plans, which are measured at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise stated.

2.4 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions which affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Actual estimates may differ from these estimates.

Detailed information about each of these estimates and judgements is included in relevant notes.

The areas involving critical estimates and judgements are:

Estimation of current tax expense and payable – Note 14

Estimation of defined benefit obligation – Note 19 & Note 25

Recognition of revenue – Note 26

Recognition of deferred tax assets for carried forward tax losses – Note 6

Useful lives of property, plant and equipment- Note 3

Impairment of trade receivables – Note 9

Estimation and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

2.5 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is current when it is:

Expected to be realised or intended to be sold or consumed in normal operating cycle;

Held primarily for the purpose of trading;

Expected to be realised within twelve months after the reporting period; or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading;

It is due to be settled within twelve months after the reporting period; or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.6 Revenue recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The standard is applied by the company prospectively and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Export benefits in the form of Duty Draw Back/ Merchandise Exports Incentive Scheme(MEIS) claims are recognised in the statement of profit and loss on receipt basis.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is ascertained on a weighted average basis.

Cost of raw materials, components, stores and spares comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Cost of inventories also includes all other costs incurred in Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Property, plant and equipment (PPE)**Recognition and measurement**

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.



When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

Disposal

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

On PPE acquired on or before 31 March 2000: Depreciation is recognised in the statement of profit and loss on a written down value basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

On PPE acquired after 31 March 2000: Depreciation is recognised in the statement of profit and loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act, 2013, as assessed by the management of the company based on technical evaluation.

Freehold land is not depreciated.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term.

The estimated useful lives for main categories of property, plant and equipments are:

Category	Useful life
Building	30 to 60 years
Plant and Machinery	15 to 25 years
Electrical installation and Fittings	10 years
Dies, Jigs & Fixtures	10 to 15 years
Furniture and Fixtures	5 to 15 years
Office Equipments	3 to 5 years
Vehicles	8 to 10 years

2.9 Intangible assets

Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset.



Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

Asset	Useful life
Software	4 Years

2.10 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property.

Investment property is measured at cost less accumulated depreciation.

2.11 Impairment of tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.12 Foreign currency transactions and balances

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

2.13 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Compensated absences

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits

Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

2.14 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available.

Company as lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.15 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

2.16 Income tax

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

2.17 Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

**Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net of direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial assets

The company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by 'Ind AS 109 - Financial instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.18 Fair value measurement

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as;

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.19 Provisions and contingencies

A **provision** is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

2.20 Earnings per share (EPS)

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.21 Cash dividend to equity holders

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.22 Government grant

Government grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are initially recognised as deferred income at fair value and subsequently recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

2.23 Recent accounting pronouncements

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessor. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.



Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangement

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business. The Company does not currently have any control of a business that is a joint operation.



NOTE 3 : PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
1ST APRIL, 2020 TO 31ST MARCH 2021

Particulars	Tangible										Intangible		Balance As At 31st March, 2021	
	Leasehold Land **	Free-hold Land	Buildings	Plant & Machinery	Electrical Installation & Fittings	Dies, Jigs & Fixtures	Furniture Fixture	Office Equipment	Vehicles	Technical Know-how **				
(1) GROSS BLOCK: OWNED ASSETS														
As At 31st March, 2020	94.60	2,080.00	3,087.72	17,679.57	207.64	6,768.40	424.93	589.50	63.41	613.89			31,609.66	
Additions	68.59			41.55		48.38	0.29	5.70		1.69			166.20	
Business Acquisition														
Deductions				6.69									6.69	
As At 31st March 2021	163.19	2,080.00	3,087.72	17,714.44	207.64	6,816.78	425.22	595.20	63.41	615.58			31,769.17	
Depreciation / Amortisation:														
Up to 31st March, 2020	24.41		2,974.57	13,121.05	195.65	5,977.55	371.51	564.66	59.81	610.77			23,849.99	
For The April 2020 to March 2021			12.50	545.84	2.81	97.07	5.68	9.83	1.68	1.32			677.68	
Depreciation	0.96													
Business Acquisition														
Deductions				4.41										
Transfer to General Reserve													4.41	
Tot Dep/Amort Up to 31st March 2021	25.36		2,987.07	13,662.48	198.46	6,024.62	377.20	574.49	61.49	612.09			24,523.26	
Net Block As At 31st March 2021	137.82	2,080.00	100.66	4,051.96	9.19	792.15	48.02	20.71	1.92	3.48			7,245.91	
Net Block As At 31st March, 2020	70.19	2,080.00	113.16	4,558.53	11.99	840.84	53.41	24.84	3.60	3.12			7,759.67	
** Amortisation Charges For The Year Are in Respect Of Leasehold Land And Technical Know-how														
(2) GROSS BLOCK: LEASED ASSETS														
As At 31st March, 2020				4.07									4.07	
Additions														
Deductions														
As At 31st March 2021				4.07									4.07	
Depreciation / Amortisation														
Up to 31st March, 2020				4.06									4.06	
For The April 2020 to March 2021														
Deductions														
Tot Dep/Amort Up to 31st March 2021				4.06									4.06	
Net Block As At 31st March 2021				0.01									0.01	
Net Block As At 31st March, 2020				0.01									0.01	
Net Block As At 31st March 2021	137.82	2,080.00	100.66	4,051.97	9.19	792.15	48.02	20.71	1.92	3.48			7,245.92	
Net Block As At 31st March, 2020	70.19	2,080.00	113.16	4,558.53	11.99	840.84	53.41	24.84	3.60	3.12			7,759.68	

NOTE : Gross Block includes revaluation of assets made in terms of scheme of Arrangement approved by 'Bombay High court as under

- Rs. In Lacs
- a) Free Hold Land 2.021
 - b) Building 2.169
 - c) Lease hold land 441



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 4: Investments

4 (a) Non-current investments	Rs In Lakhs	
PARTICULARS	March 31, 2021	March 31, 2020
Investment in Equity instruments (fully paid-up)		
Equity instruments at FVTPL		
Unquoted		
Kinetic Communications Limited	10.83	10.31
Kinetic Escalator and Elevator Limited	57.74	40.24
Total (equity instruments)	68.57	50.55
Investment in preference shares (fully paid-up)		
Preference instruments at FVTPL		
Unquoted		
Kinetic Green Energy and Power Solutions Ltd. [4,70,860 (31 March 2020: 4,70,860) Preference shares of Rs 100 each fully paid up]	470.86	470.86
Total (preference shares)	470.86	470.86
Investment in Shares (classified as FVTPL)		
Daewoo Motors (India) Limited (Formerly DCM Toyota Ltd.)	0.01	0.01
Eicher Limited	0.03	0.03
Escorts Limited	0.64	0.33
Hindustan Motors Limited	0.01	0.01
LML Limited	0.00	0.00
Majestic Auto Limited	0.10	0.06
Hero Motocorp Limited (Formerly Hero Motors Limited)	0.03	0.02
The Premier Automobiles Limited	0.00	0.00
Saraswat Co-operative Bank Limited	0.25	0.25
Ajinkya Auto Fab Limited	19.47	19.93
Total (Shares)	20.57	20.64
Investment in Government Securities (classified as FVTPL)		
7 Years National Savings Certificates	0.24	0.24
Total (Investment in Securities)	0.24	0.24
Total Non-current investments	560.24	542.29
4(b) Current investments		
PARTICULARS	March 31, 2021	March 31, 2020
Investment in Mutual Fund (classified as FVTPL)		
HDFC Cash Management Fund	-	-
BIRLA Sunlife Saving Fund	0.11	0.11
Total current investments	0.11	0.11



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Rs In Lakhs

PARTICULARS **March 31, 2021** **March 31, 2020**

Note - 5 : Other Non Current Financial Asset

(a) Security Deposits		
Unsecured, considered good	141.87	151.92
Doubtful	13.02	13.02
	154.89	164.94
Less: Provision for doubtful deposits	13.02	13.02
	141.87	151.92
(b) Other Loans and advances		
(i) Advances		
Unsecured, considered good	95.99	95.99
Doubtful	9.13	9.13
	105.12	105.12
Less: Provision for doubtful advances	9.13	9.13
	95.99	95.99
(ii) Bills Receivable (Refer Note-40 for details)	206.65	206.65
Total	444.51	454.57

Note - 6: Deferred tax assets (Net)

Deferred tax liability

(i) On accumulated depreciation	247.92	505.74
(ii) On other timing differences	-	-
Deferred tax liability (A)	247.92	505.74

Deferred tax assets

(i) On disallowance under Section 43B & 40A of Income Tax Act,1961	285.52	359.57
(ii) On provision for doubtful debts	4.22	5.16
(iii) On carried forward loss under Income Tax Act,1961	-41.83	141.01
	-	-
Deferred tax assets (B)	247.92	505.74

Note - 7: Other Non Current Assets

(a) Capital Advances		
Unsecured, considered good	93.17	61.03
Doubtful	-	-
	93.17	61.03
Less: Provision for doubtful advances	-	-
	93.17	61.03
(b) Others	-	-
Total	93.17	61.03



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

PARTICULARS	Rs In Lakhs	
	March 31, 2021	March 31, 2020
Note - 8: Inventories		
(i) Raw Materials	506.30	611.84
(ii) Work-in-progress	1,577.43	1,477.07
(iii) Finished goods	5.48	5.48
(iv) Stores and spares	901.99	883.43
Total	2,991.20	2,977.81
Note - 9: Trade Receivables		
(i) Unsecured, considered good	2,717.61	2,364.94
(ii) Unsecured, considered doubtful	-	-
	2,717.61	2,364.94
Less Allowance for doubtful debts	-	-
Total	2,717.61	2,364.94
<p>No trade receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies respectively in which and director is a partner or a member. Trade Receivables are non-interest bearing and generally on credit terms of 60 to 90 days.</p>		
Note - 10 : Cash and cash equivalents		
(i) Balance with Banks	14.73	72.52
(ii) Cash on hand	0.15	0.14
Total	14.88	72.66
Note - 11: Other Bank Balances		
(i) Fixed deposits (more than 3 months but less than 12 months)	11.80	11.80
Total	11.80	11.80
Note - 12 : Current Loans		
(i) Deposits with Govt. authorities		
Unsecured, considered good	3.65	3.65
Doubtful	-	-
	3.65	3.65
Less Provision for doubtful advances	-	-
Total	3.65	3.65
Note - 13: Other Current Financial Assets		
(i) Interest Accrued on Investments & Deposits	10.05	5.20
(ii) Receivable of Sale of Undertaking	-	-
Total	10.05	5.20
Note - 14 : Current Tax Assets(Net)		
(i) Advance Income tax net of provision	39.25	151.22
Total	39.25	151.22
Note - 15: Other current assets		
(i) Advances to suppliers and others		
Unsecured, considered good	367.91	382.33
Doubtful	-	-
	367.91	382.33
Less Provision for doubtful advances	-	-
Total	367.91	382.33



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Note-16: Share Capital

A. Authorised Share Capital

(i) Equity Share Capital	Number	Rs. In Lakhs
Authorised shares as at April 01, 2020	53,013,932	5,301.39
Increase/(decrease) during the year	-	-
Total shares authorised as at March 31, 2021	53,013,932	5,301.39
Increase/(decrease) during the year	-	-
Total authorised Equity share capital as at March 31, 2021	53,013,932	5,301.39

(ii) Preference Share Capital	Number	Rs. In Lakhs
Authorised shares as at April 01, 2020	42,223,780	14,289.43
Increase/(decrease) during the year	-	-
Total shares authorised as at March 31, 2021	42,223,780	14,289.43
Increase/(decrease) during the year	-	-
Total authorised Preference share capital as at 31 March 2021	42,223,780	14,289.43

Total authorised Share Capital as at March 31 2021	95,237,712	19,590.83
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B. Issued, Subscribed & fully Paid Up Share Capital

(i) Equity Share Capital	Number	Rs. In Lakhs
Balance as at April 01, 2020	17,708,621	1,770.86
Changes during the period	-	-
Balance as at March 31 2021	17,708,621	1,770.86
Changes during the period	-	-
Balance as at March 31 2021	17,708,621	1,770.86

C. Details of equity shareholders holding more than 5% shares

Name of shareholder	March 31, 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Jayashree A. Firodia	3,475,222	19.62%	3,475,222	19.62%
Microage Instruments pvt ltd.	3,953,683	22.33%	3,953,683	22.33%
Ashoka Investment Holdings Limited	1,750,452	9.88%	1,787,294	10.09%
Ajinkya Arun Firodia	1,129,055	6.38%	1,129,055	6.38%

D. Terms/rights attached to equity shares

- The company has only one class of equity shares, having par value of Rs. 10 per share. Each holder of equity share is entitled for one vote per share and has a right to receive dividend, as recommended by the board of directors subject to the necessary approval from the shareholders. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- Out of above, 18,85,450 (18,85,450) Equity Shares were allotted as fully paid up Bonus Shares on Capitalisation of the General Reserve.
- Out of above, 36,700 (36,700) Equity Shares were allotted under Employee Stock Option Scheme.
- In respect of 8,24,359 Equity Shares allotted on Preferential basis and 9,77,913 shares allotted on conversion, the company is in the process of obtaining necessary approval from BSE/SEBI.



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 17: Other Equity

PARTICULARS	Rs in Lakhs		
	March 31, 2021	March 31, 2020	March 31, 2019
A. PREFERENCE SHARE CAPITAL			
a) 1,02,000 Optionally Convertible Cumulative Preference Shares of Rs. 156/- each (Note no.17 H-1)	159.12	159.12	159.12
b) 3,20,500 Redeemable Cumulative Preference Shares of Rs. 156/- each.(Note no.17 H-2)	499.98	499.98	499.98
c) 8,30,154 Optionally Convertible Cumulative Preference Shares of Rs. 65/- each (Note no.17 H-3)	539.60	539.60	539.60
d) 11,76,650 8.5% New Optionally Convertible Cumulative Preference Shares of Rs. 65/- each (Note no.18 H-4)	764.82	764.82	764.82
Total	1,963.52	1,963.52	1,963.52
B. Capital Reserves			
Opening Balance	3,535.19	3,535.19	3,535.19
(+)/(-) Transfer	-	-	-
Closing Balance	3,535.19	3,535.19	3,535.19
C. Securities Premium Account			
Opening Balance	9,384.06	9,384.06	9,384.06
(+)/(-) Transfer	-	-	-
Closing Balance	9,384.06	9,384.06	9,384.06
D. General Reserve			
Opening balance	8,669.25	8,669.25	8,669.25
(+)/(-) Transfer	-	-	-
Closing Balance	8,669.25	8,669.25	8,669.25
E. Special Reserve			
Opening balance	0.46	0.46	0.46
(+)/(-) Transfer	-	-	-
Closing Balance	0.46	0.46	0.46
F. Surplus			
Opening balance	(23,941.34)	(22,998.89)	(22,116.77)
Other Comprehensive Income	12.20	(30.71)	(64.83)
(+) Net Profit / (Net Loss) for the current year	(622.93)	(911.74)	(816.37)
(+) Fair Value revaluation balance of Investment sold	-	-	(0.92)
Closing Balance	(24,552.07)	(23,941.34)	(22,998.89)
Total (A+B+C+D+E+F)	-999.58	-388.87	553.58

G. Details of Preference shareholders holding more than 5% shares

Name of the shareholder	March 31, 2021		March 31, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Optionally Convertible Cumulative Preference Share Capital:				
(a) Microage Instruments Private Limited	102,000	100.00%	102,000	100.00%
(b) Microage Instruments Private Limited	830,154	100.00%	830,154	100.00%
Redeemable Cumulative Preference Share Capital:				
(a) Microage Instruments Private Limited	320,500	100.00%	320,500	100.00%
8.5% New Optionally Convertible Cumulative Preference Share Capital:				
(a) Microage Instruments Private Limited	1,176,650	100.00%	1,176,650	100.00%

**H. Terms/rights attached to Preference shares**

- 1** Each Optionally Convertible Cumulative Preference Share (OCCPS) is convertible into one fully paid up equity share of the face value of Rs. 10/- each at a premium of Rs. 146/- per share within 18 months from the date of allotment (i.e. 30.12.2006 wrt. 36,923 shares; and 11.1.2007 wrt. 65,077 shares) at the option of the allottee. The OCCPS shall carry a preferential right to be paid a fixed rate of dividend @ 1% p.a. due and payable on the date of their conversion into equity shares or such other date(s) as may be acceptable to allottee. If any OCCPS is not converted into equity shares, such unconverted preference shares shall carry preferential right to be paid a fixed rate of dividend @ 8.50% p.a. due and payable on the date of their redemption or such other date(s) as may be acceptable to the allottee and will be redeemed any time after expiry of a period of 5 years from the date of allotment at the option of the Company subject to necessary consent and approval. The option to convert has lapsed.
- 2** Redeemable Cumulative Preference Shares shall be redeemed at the option of the Company at any time after the expiry of a period of 5 years from the date of allotment i.e. 30.12.2006, subject to necessary consent or approval. They will carry a preferential right to be paid a fixed rate of dividend @ 8.50% p.a. due and payable on the date of their redemption or other date(s) as may be acceptable to the allottee.
- 3** Each Optionally convertible cumulative preference shares (OCCPS) is convertible into one fully paid up equity share of the face value of Rs.10/- each at a premium of Rs.55/- per share within a period of 18 months from the date of allotment (i.e. 18.09.2013) at the option of the allottee. The OCCPS shall carry a preferential right to be paid a fixed rate of dividend at 1% p.a. due and payable on the date of their conversion into equity shares or such other date(s) as may be acceptable to the allottee. If any OCCPS are not converted into equity shares, such unconverted preference shares shall carry preferential rights to be paid a fixed rate of dividend at 8.5% p.a. due and payable on the date of their redemption or such other date(s) as may be acceptable to the allottees and will be redeemed any time after the expiry of a period of 18 months from the date of allotment at the option of the allottee. The Option to convert has lapsed.
- 4** Each 8.5% new Optionally convertible cumulative preference shares (OCCPS) is convertible into one fully paid up equity share of the face value of Rs. 10/- each at a premium of Rs.55/- per share within a period of 18 months from the date of allotment (i.e. 18.09.2013) at the option of the allottee. The 8.5% new OCCPS shall carry a preferential right to be paid a fixed rate of dividend at 1% p.a. due and payable on the date of their conversion into equity shares or such other date(s) as may be acceptable to allottees. If any 8.5% new OCCPS are not converted into equity shares such unconverted preference shares shall carry preferential rights to be paid a fixed rate of dividend at 8.5% pa due and payable on the date of their redemption or such other date(s) as may be acceptable to the allottees and will be redeemed any time after expiry of a period of 18 months from the date of allotment at the option of the allottee. The Option to convert has lapsed.
- 5** On 5th February, 2018, the Company, on request of allottees, has exercised its option for conversion of 9,92,639 (8.5% Optionally Convertible Cumulative Preference shares of Rs. 22/- each with premium of Rs. 67.66 /- each) into equity shares of Rs.10/- with premium of Rs. 81.01 each, ranking pari passu with the existing equity shares of the Company. The company is in the process of obtaining necessary approval from BSE/SEBI in respect of preferential allotment made.
- 6** Classification of Preference Shares.-Preference shareholders have given their "in-principal consent" for waiver of cumulative fixed dividend on their preference shares and for converting them into equity shares as per the applicable laws. In view of the above, no provision for dividend under finance cost has been considered necessary & it is considered as other equity.



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31,2021

PARTICULARS	Rs. In Lakhs	
	March 31, 2021	March 31, 2020
Note - 18: Non Current Borrowings		
Secured		
(a) Term Loans from Banks	749.20	766.66
Unsecured		
(a) Loans and advances from related parties	2,439.08	2,271.89
(b) Term Loans from Others	452.01	415.38
Total	3,640.28	3,453.93
Note -19: Non Current Provisions		
Provision for employee benefits :		
(a) Gratuity	343.68	429.27
(b) Leave Encashment	47.98	61.47
Total	391.66	490.74
Note -20: Other Non Current Liabilities		
(a) Others		
(i) Remeasurement of Long Term Liabilities	835.40	1,061.00
(ii) Payable to Related Party	408.67	
	1,244.07	1,061.00
Note - 21: Current Borrowings		
Secured		
(a) Cash Credit Facility from Banks	1,095.99	989.76
Unsecured		
(a) Overdraft Facility from Banks	1,836.71	1,475.20
(b) Short Term Loan From Bank		
Total	2,932.70	2,464.97
Cash credit from banks are repayable on demand and are secured by hypothecation of Stock and Debtors (excluding Tata Motors Ltd.) and pari-passu second charge on factory land and building at Ahmednagar.		



KINETIC ENGINEERING LIMITED		Rs. In Lakhs
Notes to financial statements for the year ended March 31,2021		
Note - 22: Trade payables		
Unsecured :		
(a) Trade payables	4,054.82	4,046.43
Total	4,054.82	4,046.43
Note - 23: Other Current Financial Liabilities		
(a) Current maturities of long-term debt	254.72	236.72
(b) Interest accrued and due on borrowings	-	124.09
(c) Interest accrued but not due on borrowings	35.45	17.37
(d) Other payables		
(i) Premium payable on Redemption of Debentures	35.20	35.20
(ii) Capital Creditors	30.28	26.50
(iii) Other Liabilities	192.96	510.09
Total	548.61	949.97
Note - 24: Other Current Liabilities		
(a) Other payables		
(i) Advance against Sales	-5.53	65.35
(ii) Remeasurement of current maturities of Long Term Liabilities	207.64	197.14
(iii) Other Liabilities	108.09	137.51
Total	310.20	400.00
Note - 25 : Current Provisions		
Provision for employee benefits :		
(a) Gratuity	585.46	513.10
(b) Leave Encashment	21.22	25.14
Total	606.67	538.24



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Rs. In Lakhs

25.1 Employee benefits

a) Defined contribution plans

(i) Provident fund

The Company operates plan for its employees to provide employee benefits in the nature of "Provident fund" and "Employee Pension Schemes". Contributions are made at the rate as prescribed in the regulations. The Company has recognised following amount in the statement of profit and loss:

Particulars	March 31, 2021	March 31, 2020
Provident fund	34.11	53.51
Employees Pension Scheme	61.05	88.32
Total	95.16	141.82

b) Defined benefit plan

(i) Gratuity

In accordance with the Payment of Gratuity Act, 1972, the Company is required to provide post-employment benefit to its employees in the form of gratuity. The Company has maintained a fund with Reliance Nippon Life Insurance Company Limited of India, to meet its gratuity obligations. In accordance with the Standard, the disclosures relating to the Company's gratuity plan are provided below:

Particulars	March 31, 2021	March 31, 2020
Gratuity		
Non-current	343.68	429.27
Current	585.46	513.10
Total	929.13	942.38

The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2021	March 31, 2020
Present value of obligation as at the beginning of the period	957.15	886.07
Transfer In/(Out)		0.11
Interest cost	62.48	66.22
Current service cost	26.44	26.98
Benefits paid	(76.52)	(52.24)
Remeasurements on obligation - (gain) / loss	(11.87)	30.00
Present value of obligation as at the end of the period	957.68	957.15

The changes in the fair value of planned assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	March 31, 2021	March 31, 2020
Fair value of plan assets at the beginning of the period	33.39	23.68
Interest income	2.05	2.17
Contributions	70.00	56.60
Benefits paid	(76.52)	(47.53)
Monthly charges and Taxes	(0.70)	(0.83)
Transfer In / (Out)	-	-
Return on plan assets, excluding amount recognized in interest income - gain / (loss)	0.33	(0.71)
Fair value of plan assets as at the end of the period	28.55	33.39

Amounts recognised in the balance sheet are as follows:

Particulars	March 31, 2021	March 31, 2020
Present value of obligation as at the end of the period	957.68	957.15
Fair value of plan assets as at the end of the period	28.55	33.39
Surplus / (deficit)	(929.13)	(923.76)

Amounts recognised in the statement of profit and loss are as follows:

Particulars	March 31, 2021	March 31, 2020
Current service cost	26.43	26.98
Net interest (income) / expense	60.44	64.05
Transfer In/ (Out)		0.11
Net periodic benefit cost recognised in the statement of profit and loss	86.87	91.14

Amounts recognised in the statement of other comprehensive income (OCI) are as follows:

Particulars	March 31, 2021	March 31, 2020
Remeasurement for the year - obligation (gain) / loss	(11.87)	30.00
Remeasurement for the year - plan assets (gain) / loss	(0.33)	0.71
Total remeasurements cost / (credit) for the year	(12.20)	30.71



Net interest (income) / expense recognised in statement of profit and loss are as follows:		
	Rs. In Lakhs	
Particulars	March 31, 2021	March 31, 2020
Interest (income) / expense - obligation	62.48	66.22
Interest (income) / expense - plan assets	(2.05)	(2.17)
Net interest (income) / expense for the year	60.43	64.05

Principal actuarial assumptions used in determining gratuity benefit obligations for the Company's plans are as follows:

Particulars	March 31, 2021	March 31, 2020
Discount rate	6.90%	6.80%
Rate of increase in compensation levels	3.00%	3.00%
Expected rate of return on plan assets	6.80%	7.70%
Expected average remaining working lives of employees (in years)	11.98*	11.73*
Withdrawal rate		
Age upto 30 years	1.00%	1.00%
Age 31 - 40 years	1.00%	1.00%
Age 41 - 50 years	1.00%	1.00%
Age above 50 years	1.00%	1.00%

* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

A quantitative sensitivity analysis for significant assumptions are shown as follows:

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying (increasing/decreasing) one parameter by 100 basis points (1%) at a time:

a) Impact of change in discount rate when base assumption is decreased / increased by 100 basis point

	Present value of obligation	
Discount rate	March 31, 2021	March 31, 2020
Decrease by 1%	977.79	981.62
Increase by 1%	939.47	934.90

b) Impact of change in salary increase rate when base assumption is decreased / increased by 100 basis point

	Present value of obligation	
Salary increment rate	March 31, 2021	March 31, 2020
Decrease by 1%	943.20	939.42
Increase by 1%	973.52	976.44

c) Impact of change in withdrawal rate when base assumption is decreased / increased by 100 basis point

	Present value of obligation	
Withdrawal rate	March 31, 2021	March 31, 2020
Decrease by 1%	953.36	952.31
Increase by 1%	961.60	961.54



KINETIC ENGINEERING LIMITED		
Notes to financial statements for the year ended March 31,2021		
	Rs In Lakhs	
PARTICULARS	March 31, 2021	March 31, 2020
Note - 26: Revenue from operations		
(a) Sale of Products	8,145.31	11,071.99
(b) Machining and Processing Receipts	114.13	196.05
(c) Other operating revenue	127.50	306.67
Total	8,386.94	11,574.70
Note - 27: Other income		
(a) Interest Income		
(i) On Fixed Deposits	0.16	0.17
(ii) From Others	12.51	6.28
(b) Dividend Income from:		
(i) Long Term Investment	4.30	3.97
(ii) Short Term Investment	-	-
(c) Profit / (Loss) on sale of Assets	5.75	-
(d) Profit / (Loss) on sale of Investments	-	-
(e) Sundry Credit Balances Written Back	-	-
(f) Excess Provision Written Back	-	-
(g) Amortisation of deferred financial assistance		
(i) From related parties	181.90	181.90
(ii) From others	33.20	33.20
(h) Fair Valuation (Gain)/Loss on Investments	17.95	11.81
(i) Others	60.78	37.82
Total	316.54	275.16
Note - 28 : Cost of material consumed		
(a) Raw Material Consumed	3,357.00	4,344.02
(b) Stores and Spares Consumed	642.09	1,061.98
(c) Fabrication and Processing Charges	419.25	738.56
(d) Freight, Octroi and Forwarding Charges	34.04	47.69
Total	4,452.38	6,192.24
Note - 29: Changes in inventories of finished goods and work-in-progress		
Inventory at the end of the year		
(a) Finished Goods	5.48	5.48
(b) Work-In- Progress	1,577.43	1,477.07
Total	1,582.91	1,482.54
Inventory at the beginning of the year		
(a) Finished Goods	5.48	5.48
(b) Work-In- Progress	1,477.07	1,601.30
Total	1,482.54	1,606.77
Increase (-) / decrease (+) in inventories	(100.36)	124.23



KINETIC ENGINEERING LIMITED		
Notes to financial statements for the year ended March 31,2021		
	Rs In Lakhs	
PARTICULARS	March 31, 2021	March 31, 2020
Note - 30: Employee benefit expenses		
(a) Salaries & wages	1,478.31	2,157.53
(b) Contributions to provident and other funds	107.07	152.43
(c) Gratuity	103.87	82.90
(d) Staff welfare expenses	49.22	83.59
Total	1,738.48	2,476.46
Note - 31: Finance costs		
(a) Interest expense	424.46	450.05
(b) Unwinding of Loans		
(i)Related party loans	167.19	151.99
(ii)Other loans	34.95	40.16
(c) Other Borrowing Costs	17.79	18.19
Total	644.39	660.38
Note - 32: Other expenses		
(a) Power & Fuel	1,073.77	1,364.69
(b) Repairs and Maintenance:		
(i)Plant and Machinery	104.77	193.79
(ii)Buildings	1.82	40.85
(iii)Others	0.56	2.85
(c) Contract Labour cost	393.48	503.29
(d) Rent	31.93	40.97
(e) Outward Freight Charges	62.50	77.48
(f) Packing and Forwarding Charges	58.42	301.60
(g) Legal, Professional & Consultancy Fee	55.26	86.92
(h) Rates and taxes	23.65	28.24
(i) Travelling Expenses	5.33	18.28
(j) Insurance	6.96	4.69
(k) Payments to auditor (Refer details below)	4.95	4.85
(l) Exchange (Gain) / Loss	2.97	(141.84)
(m) Excise Duty Paid (Net)	-	-
(n) Publicity & Sales Promotion	-	-
(o) Directors Fees & Travelling Expenses	0.07	0.72
(p) Maintenance Other	37.09	
(q) Miscellaneous Expenses	79.52	127.76
	1,943.07	2,655.15
Less: Expenses Capitalised	29.24	68.11
Total	1,913.84	2,587.04
<u>Details of payments to Auditors</u>		
Audit Fee	3.35	3.45
Tax Audit Fee	0.60	0.60
Limited review and Certification work	1.00	0.80
Total	4.95	4.85



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31,2021

Note 33 Income Taxes

As per Ind As 12 An explanation of the relationship between tax expense (income) and accounting profit in either or both of the following forms need to be disclosed:
 – a numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed;
 or
 – a numerical reconciliation between the average effective tax rate and the applicable tax rate, disclosing also the basis on which the applicable tax rate is computed;
 The above said reconciliation will not arise in situations where there is accounting losses to taxable Income.

Note 34 Financial instruments – Fair values and risk management

Rs. In Lakhs								
March 31, 2021	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial Assets								
Investments								
Quoted Equity Instruments	-	-	-	-	-	-	-	-
Unquoted Equity Instruments *	-	89.14	-	89.14	-	89.14	-	89.14
Unquoted Preference Shares	-	470.86	-	470.86	-	-	470.86	470.86
Other Financial Assets	-	0.24	-	0.24	-	-	0.24	0.24
Current Financial Assets								
Current Investments	-	0.11	-	0.11	0.11	-	-	0.11
Trade Receivables	2,717.61	-	-	2,717.61	-	-	-	-
Cash and Cash Equivalents	14.88	-	-	14.88	-	-	-	-
Other Bank Balances	11.80	-	-	11.80	-	-	-	-
Loans	3.65	-	-	3.65	-	-	-	-
Other Financial Assets	10.05	-	-	10.05	-	-	-	-
	2,757.99	560.35	-	3,318.34	0.11	89.14	471.10	560.35
Non-Current Financial Liabilities								
Borrowings								
	3,640.28	-	-	3,640.28	-	-	-	-
Current Financial Liabilities								
Borrowings								
	2,932.70	-	-	2,932.70	-	-	-	-
Trade Payables	4,054.82	-	-	4,054.82	-	-	-	-
Other Financial Liabilities	548.61	-	-	548.61	-	-	-	-
	11,176.42	-	-	11,176.42	-	-	-	-
31st march, 2020								
	Carrying amount				Fair value			
	Amortised Cost	FVTPL	FVTOCI	Total	Level 1	Level 2	Level 3	Total
Non-Current Financial Assets								
Investments								
Quoted Equity Instruments	-	-	-	-	-	-	-	-
Unquoted Equity Instruments	-	71.10	-	71.10	-	71.10	-	71.10
Unquoted Preference Shares	-	470.86	-	470.86	-	-	470.86	470.86
Other Financial Assets	-	0.24	-	0.24	-	-	0.24	0.24
Current Financial Assets								
Current Investments	-	0.11	-	0.11	0.11	-	-	0.11
Trade Receivables	2,364.94	-	-	2,364.94	-	-	-	-
Cash and Cash Equivalents	72.66	-	-	72.66	-	-	-	-
Other Bank Balances	11.80	-	-	11.80	-	-	-	-
Loans	3.65	-	-	3.65	-	-	-	-
Other Financial Assets	5.20	-	-	5.20	-	-	-	-
	2,458.25	542.31	-	3,000.56	0.11	71.10	471.10	542.31
Non-Current Financial Liabilities								
Borrowings								
	3,453.93	-	-	3,453.93	-	-	-	-
Current Financial Liabilities								
Borrowings								
	2,464.97	-	-	2,464.97	-	-	-	-
Trade Payables	4,046.43	-	-	4,046.43	-	-	-	-
Other Financial Liabilities	949.97	-	-	949.97	-	-	-	-
	10,915.30	-	-	10,915.30	-	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of instrument is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 35 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks, security deposits, as well as credit exposure to outstanding receivables.

Credit risk management

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision has been made for expected credit loss for credit risk arising from these financial assets.

Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly. The credit risk is considered low given the past experience of negligible or minimal write-offs.

The ageing of trade receivables are as follows:

	Rs. In Lakhs	
	March 31, 2021	March 31, 2020
Not past due date	2,498.75	1,711.12
Past due 1-90 days	32.63	249.78
Past due 91-180 days	6.20	207.97
Past due more than 180 days	180.03	196.07
Total Trade receivables	2,717.61	2,364.94

(B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company monitors rolling forecast of its liquidity position on the basis of expected cash flows. The company has obtained fund based / Non-fund based working capital facilities from banks.

Exposure to liquidity risk

The tables below analyse the Company's non-derivative financial liabilities into relevant maturity group based on their contractual maturities:

	Rs. In Lakhs		
March 31, 2021	< 1 year	1 to 3 years	> 3 years
Non-derivative liabilities			
Borrowings	2,932.70	959.15	2,681.13
Trade payables	4,054.82	-	-
Other financial liabilities	548.61	-	-
Total non-derivative liabilities	7,536.13	959.15	2,681.13
March 31, 2020	< 1 year	1 to 3 years	> 3 years
Non-derivative liabilities			
Borrowings	2,464.97	875.15	2,578.78
Trade payables	4,046.43	-	-
Other financial liabilities	949.97	-	-
Total non-derivative liabilities	7,461.37	875.15	2,578.78



(C) Market risk

(i) Foreign currency risk

Foreign currency risk means the risk that the result or economic situation of the Company changes due to changes in exchange rates. The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency which is not the Company's functional currency (INR). The risk is measured through a forecast of highly probably foreign currency cash flows.

(a) The Company's exposure to foreign currency risk at the end of the year are as follows :-

Particulars	Currency	Rs. In Lakhs	
		Exposure in F.C.	Exposure in INR
Financial Assets			
Trade receivables	USD		
As at March 31,2021		15.24	1,102.43
As at March 31,2020		14.59	1,087.83
Financial Liabilities			
Trade Payables	USD		
As at March 31,2021		0.01	0.90
As at March 31,2020		0.01	0.89
Net Exposure as at March 31,2021		15.23	1,101.53
Net Exposure as at March 31,2020		14.58	1,086.94

(b) Sensitivity analysis:

	Rs. In Lakhs	
	Impact on profit before tax	
	March 31, 2021	March 31, 2020
USD sensitivity		
INR/USD -Increase by 5% *	51.54	54.35
INR/USD -Decrease by 5% *	(51.54)	(54.35)

*Holding all other variables constant

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate risk can also impact the provision for retiral benefits. The Company Interest rate risk is linked to PLR rates therefore subject to interest rate risk, carrying amount and future cash flows will fluctuate because of change in the market interest rates (PLR Rates).

Sensitivity:

Change	Rs. In Lakhs	
	Impact on profit before tax	
	March 31, 2021	March 31, 2020
25 Basis Points increase	(16.11)	(16.51)
25 Basis Points decrease	16.11	16.51



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 36 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through optimum mix of borrowed and own funds.

The Company's adjusted net debt to equity position are as follow:

Particulars	Rs. In Lakhs	
	March 31, 2021	March 31, 2020
Net debt	6,572.98	5,918.89
Less: Cash and Cash Equivalents	26.68	84.46
Less: Current Investments	0.11	0.11
Adjusted net (Cash)/Debt	6,546.19	5,834.33
Total equity	771.28	1,382.00
Net debt to equity ratio	8.49	4.22

Note 37 Segment Reporting

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available which involves predominantly one operating segment i.e. automotive components.

Note 38 Contingencies and commitments

Particulars	Rs. In Lakhs	
	March 31, 2021	March 31, 2020
Contingent Liabilities:		
a. Income Tax matter under appeal approx	5.75	14.50
b. Sales Tax matter under appeal	181.19	181.05
c. Excise Duty in dispute	294.19	294.19
d. ESIC liability in dispute	1.26	1.26
e. Municipal property Tax in dispute	9.16	9.16
f. Labour Cases	50.54	50.54
g. Entry Tax in dispute	10.13	10.13
h. Other Compensation Matters	20.00	20.00
i. Claim against Company not acknowledged as debt	26.07	26.07
Commitments :		
On Capital Account	334.66	333.12

Note 39 Earnings per share

Particulars	March 31, 2021	March 31, 2020
Basic and diluted earnings per share		
a) Profit attributable to the equity holders of the company (Rs. In Lakhs)	(610.73)	(942.45)
b) Weighted average number of equity shares outstanding (Nos.)	17,708,621	17,708,621
c) Earnings per share		
- Basic and diluted	(3.45)	(5.32)



KINETIC ENGINEERING LIMITED

Notes to financial statements for the year ended March 31, 2021

Note 40 Company has purchased six bills of exchange and paid Rs. 206.65 Lakhs (Rs. 206.65 Lakhs) for the same. These bills have matured but have not been honoured. Company has filed suits in the High Court of Judicature at Bombay.

Note 41 Issue of **4550** (4550) Bonus Shares and **480** (480) Rights shares have been kept in abeyance as per the provisions of the Companies Act.

Note 42 In terms of the Notification dated March 31, 2009 by The Ministry of Corporate Affairs amending the erstwhile Ind AS -21 "The Effects of Changes in Foreign Exchange Rates", the company had exercised the option to recognize the exchange difference on long term non-monetary items retrospectively from the accounting period 2007-08. Such exchange differences relating to the acquisition of capital assets are adjusted to the cost of capital and would be depreciated over the balance life of the asset. Exchange difference amounting to Rs.925.72 Lakhs (Rs.1125.13 Lakhs) has been carried in the Fixed Assets as on March 31, 2021.

Note 43 Disclosure as required under Micro Small and Medium Enterprises Development Act, 2006 **Rs in Lakhs**

PARTICULARS	As at March 31, 2021
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	382.16
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	12.62
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond	-
iv. The amount of interest due and payable for the year	12.62
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	12.62

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 is determined to the extent such parties have been identified on the basis of information made available with the company.

Note 44 In view of the expected growth in Indian Automobile Industry and business potential of the company, having regard to the fact that the company has settled its debts resulting into positive net worth, the company expects substantial growth in its turnover and financial position. Based on these future prospects, though the company has continuously incurred losses in previous years, the financial statements of the company have been prepared on going concern basis.

Note 45 Related party transactions

a) Name of Related Parties

- Jaya Hind Sciaky Ltd.
- Kinetic Communications Ltd.
- Microage Instruments Pvt. Ltd.
- Kinetic Hyundai Elevator & Movement Technologies Ltd.
- Kinetic Green Energy & Power Solutions Limited.
- Motoroyale (India) Private Ltd. (Erstwhile Norton Motoroyale India Private Ltd.)

b) Key management personnel

Chairman	Mr. Arun Hastimal Firodia
Managing Director & CFO	Mr. Ajinkya Arun Firodia
Chief Executive Officer	Mr. Chaitanya koranne
Company Secretary	Mr. Nikhil Deshpande
	Mrs. Deepal Shah
Non-executive directors	Mrs. Jayashree Arun Firodia
	Mrs. Sulajja Firodia Motwani
	Mr. Ramesh Jankiram Kabra
	Mr. Shirish Ratanlal Kotecha
	Mr. Rajiv Ishwarlal Ranka
	Mr. Rohit Prakash Bafana
	Mr. Jinendra Hirachand Munot
	Mr. Venkataiah Madipalli



c) Transactions and balances with related parties have been set out		Rs. in Lakhs	
Particulars	March 31, 2021	March 31, 2020	
Jaya Hind Sciaky Ltd.			
Reimbursement of Expenses	0.29	2.21	
Job Work Charges Paid	19.70	-	
Kinetic Green Energy & Power Solutions Limited			
Sales of Goods	18.11	9.96	
Reimbursement of Expenses	22.84	22.49	
Rent Received	2.40	2.40	
Sale of Investment in Preference shares	-	119.14	
Paint Shop Work	11.00	-	
Kinetic Hyundai Elevator & Movement Technologies			
Dividend Received	4.14	3.60	
Kinetic Communications Ltd.			
Dividend Received	0.16	0.32	
Purchase of Goods	0.82	-	
Norton Motoroyale India Pvt. Ltd			
Sale of Goods	-	1.43	
Micro Age Instruments Pvt Ltd			
Reimbursement of Expenses to KEL	5.79	-	
Consultancy Charges Received	19.70	-	
Remuneration to Key Managerial Persons			
Mr. Ajinkya Firodia	58.45	52.11	
Mr. Chaitanya koranne (Salary)	24.60	46.85	
Mr. Chaitanya koranne (Professional Fees)	10.44	-	
Mrs. Deepal Shah	-	1.93	
Mr. Nikhil Deshpande	11.56	7.17	



Director Sitting Fee		
Mr. Ramesh Jankiram Kaabra	-	0.14
Mr. Shirish Ratanlal Kotecha	0.04	0.12
Mrs. Jayashree Arun Firodia	0.02	0.10
Mr. Rohit Prakash Bafna	0.04	0.18
Mr. Rajiv Ranka	-	0.08
As per our report of even date For Pawan Jain And Associates Chartered Accountants		For and on behalf of Board of Directors For Kinetic Engineering Limited
	A. H. Firodia (Chairman) DIN:00057324	A. A Firodia (Managing Director & CFO) DIN:00332204
Pawan Jain Partner Membership Number- 032900 Firm Reg No.:0107867W Place : Pune Date : 29th June, 2021 UDIN:- 21032900AAAADF6146	Chaitanya Koranne (Chief Executive Officer)	



KYC FORM

To,
Linkintime India Private Limited
C-101,247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai -400083
Unit: Kinetic Engineering Limited

Date:
Folio No.:
No. of shares:

Dear Sir/Madam,

We refer to the current KYC status as provided by you in the below table:

Name of the shareholder(s)	PAN (A)	Bank details (B)	Specimen Signature (C)	Email id (D)	Mobile no. (E)	Nominee Details (F)

Based on the above data, we are forwarding herewith, the required supporting documents by ticking in the appropriate checkbox below for all the fields where the status is shown as “required” in the above table.

A. For registering PAN of the registered and/or joint shareholders (as applicable)

Registered shareholder	Joint Holder 1	Joint Holder 2	Joint Holder 3
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

* Self attested copy for all shareholders should be attached.

B. For registering Bank details of the registered shareholder

Aadhar/passport/utility Original cancelled cheque Bank passbook/Bank statement

C. For registering the specimen signature of registered and/or joint shareholders (as applicable)

Affidavit Banker verification Original cancelled cheque Bank passbook/Bank statement

D. For updating the email id: _____

E. Mobile No.

F. For registering Nominee Details by the registered shareholder

Form SH-13

Note: For residents of Sikkim, instead of PAN provide Aadhar card/ Voter id/ Driving License/ Passport or any other ID proof issued by Govt.

I/We hereby state that the above mentioned details are true and correct and we consent towards updating the particulars based on the self-attested copies of the documents enclosed with this letter by affixing my/our signature on it.

Sign _____	Sign _____	Sign _____	Sign _____
Registered holder	Joint holder 1	Joint holder 2	Joint holder 3



CELEBRATING 50 YEARS



KINETIC

KINETIC ENGINEERING LIMITED
D-1 Block, Plot 18/2, MIDC, Chinchwad, Pune,
Maharashtra 411019, India.

www.KineticIndia.com

