

KINETIC ENGINEERING LIMITED

NOTICE

NOTICE is hereby given that the 41st Annual General Meeting of the shareholders of KINETIC ENGINEERING LIMITED will be held on Wednesday 26th September, 2012 at 11:00 a.m., at the Registered Office of the Company at D-1 Block, Plot No. 18/ 2, MIDC, Chinchwad, Pune – 411 019, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit and Loss Account for the financial year ended on that date, together with the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mrs. Sulajja Firodia Motwani, who retires by rotation and is eligible for re-appointment.
3. To appoint a director in place of Mr. S. R. Kotecha, who retires by rotation and is eligible for re-appointment.
4. To appoint a director in place of Dr. N. A. Kalyani, who retires by rotation and is eligible for re-appointment.
5. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS

6. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
RESOLVED THAT, Mr. Jinendra H. Munot, who was appointed as Additional Director, in terms of the provisions of Sec. 260 of the Companies Act, 1956, and who holds office as such director till this Annual General Meeting, and in respect of whose candidature as a director, a notice has been received by the Company from a member, in terms of the provisions of Sec. 257 of the Companies Act, 1956, be and is hereby appointed as a director whose office shall be liable to retirement by rotation.
7. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
RESOLVED THAT, in terms of the provisions of sections 269, 309, 310, 311, 314, 316 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the appointment of Mr. Arun. H. Firodia as a Chairman of the Company, the term of which expires on 30.6.2012, be renewed for a further period of 5 years with effect from 1st July, 2012, on such remuneration as set out hereinbelow and the said remuneration also be paid to Mr. Arun H. Firodia in the event of loss or inadequacy of profit during any financial year:

Remuneration (per annum)	
Salary (basic)	Rs. 18,00,000
HRA	Rs. 7,20,000
LTA	upto Rs 60,000
Medical Reimbursement	upto Rs. 50,000
Provident Fund, Superannuation, Gratuity, Personal Accident & Mediclaim Benefits, Other privileges, facilities, perquisites, benefits and amenities	As per the Rules of the Company
Other Benefits	
Club membership	Two clubs
Provision of cars	1 cars with driver upto Rs. 60,000 p.a.
Telephone facility	Telephone at residence, and a mobile phone
Watchman at residence	One round-the-clock watchman at residence
Annual Increase in Salary	His basic salary is to be annually increased by 20%
Minimum Remuneration	In the event of loss or inadequacy of profits, the aforesaid remuneration shall be payable as the minimum remuneration

RESOLVED FURTHER THAT, Mr. Pranvesh Tripathi, Company Secretary, be and is hereby authorised to submit necessary application and do all such things as are necessary, for seeking the approval of Central Government, to the terms of appointment and remuneration of Mr. Arun H. Firodia , as the Chairman.

8. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution: RESOLVED THAT, subject to the provisions of Sections 269, 309, 310, 311, 314, 316 and other applicable provisions, if any, of the Companies Act, 1956, subject to the approval by the Central Government, Mrs. Sulajja Firodia Motwani, director, be and is hereby appointed to the executive position of Vice-Chairperson of the Company, for a period of 5 years, with effect from 1.1.2012, with substantial powers of management in relation to the day to day operations of the Company, subject to the overall superintendance of the Board of Directors on such remuneration as set out hereinbelow and the said remuneration also be paid to Mrs. Sulajja Firodia Motwani in the event of loss or inadequacy of profit during any financial year:

Remuneration (per annum)	
Salary	Rs. 27,60,000
HRA	Rs. 9,95,000
LTA, Medical Exp. Reimb., Provident Fund, Superannuation, Gratuity, Personal Accident & Medclaim Benefits, Other privileges, facilities, perquisites, benefits and amenities	As per the Rules of the Company
Other Benefits	
Club membership	Two clubs
Provision of cars	2 cars - one car with driver for office use and one car with driver for private use
Telephone facility	Telephone at residence, and a mobile phone
Watchman at residence	One round-the-clock watchman at residence
Minimum Remuneration	In the event of loss or inadequacy of profits, the aforesaid remuneration shall be payable as the minimum remuneration

RESOLVED FURTHER THAT, Mr. Pranvesh Tripathi, Company Secretary, be and is hereby authorised to submit necessary application and do all such things as are necessary, for seeking the approval of Central Government, to the terms of appointment and remuneration of Mrs. Sulajja Firodia Motwani, as the executive Vice-Chairperson.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER. The Proxy as per the format included in the Annual Report should be returned, duly completed, to the Registered Office of the Company not less than FORTY-EIGHT HOURS before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be supported by appropriate resolution / authority, as applicable, issued by the member organization.
2. The information in respect of the directors seeking appointment / re-appointment at the Annual General Meeting (Item Nos. 2, 3, 4 & 6 of the Notice), as per Clause 49 of the Listing Agreement, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from Monday, the 24th September, 2012 to Wednesday, the 26th September, 2012 (both days inclusive), in accordance with the requirements of Clause 16 of the Listing Agreement.
4. Members desirous of obtaining any information concerning the accounts or operations of the Company are requested to address their queries to Secretarial Department so as to reach the Company at least 10 days before the date of the meeting.
5. The Explanatory statement pursuant to section 173(2) of the Companies Act, 1956, in respect of the Special Business as set out above is annexed hereto.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Pranvesh Tripathi
Company Secretary

Pune, 30th May, 2012

Registered Office :

D1 Block, Plot No. 18/2, MIDC, Chinchwad, Pune - 411019

KINETIC ENGINEERING LIMITED

Annexure to Notice

INFORMATION RELATING TO THE DIRECTORS SEEKING ELECTION / RE-ELECTION AT THE ENSUING ANNUAL GENERAL MEETING

(in terms of the requirements of Clause 49 of the Listing Agreement)

(Item Sr. No.s 2, 3, 4, 6, 7 & 8 of the Notice)

Name	Sulajja Firodia Motwani	S. R. Kotecha	Dr. N. A. Kalyani	Jinendra H. Munot	Mr. Arun H Firodia
Date of birth & Age	26.8.1970(41)	3.9.1951(60)	20.8.1928(83)	4.8.1952(59)	23.3.1943(69)
Appointed on	4.5.1996	27.11.1987	29.4.1978	6.8.2011	1.7.1987
Qualifications	Master of Science in Industrial Administration (MBA)	M.S. Automobiles, Kanas University, USA	Doctorate in Science	B.E(Mech), M.S.(Mech) USA, AMIE(India)	B. Tech M.S.(Electrical Engg.) M.S.(Management)
Expertise/ Experience	Vast experience in the areas of Marketing, Finance, strategic planning and corporate restructuring.	30 years of manufacturing Research on innovative farming methods.	Promoted a sugar factory; pioneering work in co-op movement	33 years experience in Automobile industry in various capacities	Rich experience in Automobile Industry more than 42 years.
Directorship in other Public companies	Kinetic Motor Company Limited Kinetic Auto Limited Kinetic Green Energy & Power Solutions Ltd	Kinetic Motor Company Limited	Kalyani Forge Limited	Z F Steering Gear (India) Limited Varsha Forgings Limited	Kinetic Motor Company Ltd Kinetic Marketing Services Limited Kinetic Hyundai Elevator & Movement Technologies Ltd Jaya Hind Sciaky Ltd Kinetic Auto Ltd Kinetic Green Energy & Power Solutions Ltd
Chairmanship/ membership of Committees of public companies	Member of Audit Committee in Kinetic Motor Company Limited	Chairman of Audit Committee and member of Remuneration and Shareholder Greivance Committee of Kinetic Engineering Limited Member of Audit Committee in Kinetic Motor Company Limited	Nil	Member of Audit committee in Kinetic Engineering Limited	Nil
Shareholding	616	16060	Nil	28712	1048372

By Order of the Board of Directors
For Kinetic Engineering Limited

Pranvesh Tripathi
Company Secretary

Pune, 30th May, 2012

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 6

Mr. Jinendra H. Munot was appointed as an Additional Director by the Board of directors , and holds office as such director until the ensuing Annual General Meeting. The Company has received a notice u/s 257 of the Companies Act, 1956, proposing the candidature of Mr. Munot as a director of the Company.

Mr. Jitendra H. Munot is B.E. (Mech), M.S. (Mech) USA, AMIE (India). He is Joint Managing Director of ZF Steering Gear (India) Limited. He has more than 32 years of experience in Automobile industry in various capacities.

The Board of Directors of the Company recommends passing of the resolution.

None of the directors of the Company, except Mr. Jinendra H. Munot, are concerned and / or interested in the proposed resolution.

Item No. 7

Mrs. Sulajja Firodia Motwani was appointed as Vice-Chairperson of the company by the Board of directors in their Meeting held on 9.12.2011 for a period of 5 years with effect from 1.1.2012 .

She has been an integral part of the senior management team of Kinetic. She is energetic member of the senior management team and the Board of Directors. The Remuneration Committee after taking into consideration the industry benchmarks, profile of Mrs. Sulajja Firodia Motwani and the responsibilities shared by her, considered her appointment as the Vice-Chairperson and decided the proposed remuneration.

The Board of Directors of the Company recommends passing of the resolution.

Mrs. Sulajja Firodia Motwani is related to Mr. Ajinkya A. Firodia and Mr. Arun H. Firodia. None of the other directors are concerned and/ or interested in the proposed resolution.

Item No. 8

Mr. Arun H. Firodia has been appointed as the Chairman of the Company by the Board of directors in their Meeting held on 30.05.2012 for a period of 5 years with effect from 1.7.2012. The Remuneration Committee, upon the authorisation of the Board of directors , in that behalf, has fixed the remuneration and other terms of the appointment of Mr. Arun H. Firodia

Mr. Arun H. Firodia is overall in charge of the Company subject to the supervision and control of Board of Directors and is primarily involved in focusing on crucial areas of business and policy making. Considering long association of Mr. Arun H. Firodia with the Company and his vast experience and knowledge in automobile field, the Board of Directors, in the best interest of the Company, re-appointed Mr. Arun H. Firodia as the Chairman of Company for a term of five years with effect from 1.7.2012.

The Board of Directors of the Company recommends passing of the resolution.

Mr. Arun H. Firodia is related to Mrs. Sulajja Firodia Motwani and Mr. Ajinkya A. Firodia . None of the other directors are concerned and/ or interested in the proposed resolution.

By Order of the Board of Directors
For **Kinetic Engineering Limited**

Pranvesh Tripathi
Company Secretary

Pune, 30th May, 2012

Registered Office :

D1 Block, Plot No. 18/2, MIDC, Chinchwad, Pune - 411019