

N O T I C E

NOTICE is hereby given that the 44th Annual General Meeting of the shareholders of KINETIC ENGINEERING LIMITED will be held on Wednesday, 30th day of September, 2015 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, 2015 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 Mr. Arun Hastimal Firodia (DIN: 00057324), who retires by rotation and is eligible for re-appointment.
3. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to Sections 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or reenactment thereof for the time being in force), the Memorandum of Association and Articles of Association of Kinetic Engineering Limited (the “Company”), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”) and the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Securities and Exchange Board of India, as amended, and the rules, regulations, guidelines, notifications and circulars, if any, issued by the Government of India, from time to time, to the extent applicable including the enabling provisions of the listing agreements entered into with the stock exchanges on which the Company’s equity shares are listed (the “Stock Exchanges”), and subject to the permissions, consents, sanctions and approval by any authority, as

may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”) to exercise its powers including the powers conferred by this resolution, subject to approval of Reserve Bank of India (RBI) consent of the Company be and is hereby accorded to the Board to create, issue, offer, and allot 2,24,359 (Two lacs Twenty Four thousand three hundred fifty nine) Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each at a premium of ₹ 146/- (Rupees One hundred forty six Only), aggregating up to ₹ 3,50,00,000/- (Rupees Three Crores Fifty Lacs Only) considering 30th August, 2015 as the Relevant Date being the date 30 days prior to the date of this meeting as per provisions of Regulation 71 of Chapter VII of SEBI Regulations, on a preferential basis through private placement (the “Preferential Issue”) and on such further terms and conditions, including payment of monies as may be approved or finalized by the Board to the following entity being an entity which is not a part of the promoter group (the “Proposed Allottee”) as detailed herein below:

Sr. No.	Proposed Allottee	PAN	Category	No. of Shares
1	Micro Age Instruments Private Limited	AABCM1787E	Promoter	2,24,359

“RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted by the Company to the Proposed Allottee within a period of 15 days from the date of passing of this resolution, provided that where the allotment of the said Equity Shares is pending on account of pendency of any approval for such allotment by Reserve Bank of India (RBI) any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.”

“RESOLVED FURTHER THAT in case the Equity Shares of the Company are either subdivided or consolidated prior to the Preferential Issue, then the number of Equity Shares to be allotted under the said Preferential Issue shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/-(Rupees Ten only) per Equity Share to the



revised face value of the Equity Shares after such sub-division or consolidation, and the subscription price payable by the Proposed Allottee shall automatically stand reduced or augmented, as the case may be, in the same proportion as the revised face value of the Equity Shares after such sub-division or consolidation bears to the present face value of ₹10/- (Rupees Ten only) per Equity Share, without affecting any other rights or obligations of the said Proposed Allottee.”

“RESOLVED FURTHER THAT the Equity Shares to be offered, issued and allotted through the Preferential Issue shall rank pari passu with the existing Equity Shares of the Company in all respects, including dividend, and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to lock-in as provided under the SEBI Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, to finalize, approve and sign the offer documents with authority to amend, vary, modify the same as may be considered desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, undertakings, certificates, consents, authorities as may be necessary and required from time to time, issuing clarifications on the offer, issue and allotment of the Equity Shares, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisors for the Preferential Issue), resolving all questions of doubt that may arise in regard to the offer, issue and allotment of the Equity Shares and utilization of proceeds of the issue of the Equity Shares and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit and to do all such things, deeds and acts and to comply with all the formalities as may be required in connection with and incidental to the aforesaid offering of Equity Shares, including for the post issue formalities, without being required to seek any fresh approval of the shareholders of the Company and the decision of the Board shall be final and conclusive.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers

herein conferred to any Director(s) and / or to any official(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary applications and filings with the Stock Exchanges and regulatory authorities.”

By Order of the Board of Directors
For KINETIC ENGINEERING LIMITED
Rohit Purandare
Company Secretary

Date: 13.08.2015

Place: Pune

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.
- 2 During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three (3) days written notice is given to the Company.
- 3 An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice.
- 4 Brief details of the directors, who are seeking re-appointment, are annexed hereto as per requirements of clause 49 of the listing agreement.
- 5 Pursuant to the provisions of section 91 of the

Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from 28/09/2015 to 30/09/2015 both days inclusive.

- 6 The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Link Intime.
- 7 In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
- 8 To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their e-mail address with Link Intime India Pvt. Ltd. on pune@linkintime.co.in.
- 9 Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, upto the date of the meeting.
- 10 Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 (a copy of which is available on the website of the Company) with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
- 11 Corporate members are requested to send in advance, duly certified copy of the Board

Resolution/Power of Attorney authorising their representative to attend the annual general meeting.

- 12 Members/Proxies are requested to bring the copies of annual reports to the meeting.
- 13 Please note that for security reasons, no article/baggage will be allowed at the venue of the meeting.
- 14 Voting through electronic means

In terms of the provisions of section 108 of the Companies Act, 2013 (the Act) read with rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and clause 35B of the listing agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 23 September 2015 (End of Day) being the Cut-off date (Record date for the purpose of Rule 20 (3) (vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, 27th September, 2015 at 9.00 a.m. and ends on Tuesday, 29th September, 2015 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 (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an



earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of "KINETIC ENGINEERING LIMITED".

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution,

you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- 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 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.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

**Annexure to Notice
EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT,2013**

Item No. 4

The Board on 13th August, 2015, subject to necessary approval(s), has approved the proposal for raising funds up to ₹ 3,50,00,000/- (Rupees Three Crores Fifty Lacs Only) by way of issue of equity shares on preferential basis.

The Information as required under Regulation 73 of the SEBI Regulations for the proposed Preferential Issue is as under:

(a) Object/s of the issue:

The object of the proposed Preferential Issue is to augment the resources of the Company for general corporate and capacity expansion at both the plants, and other such purposes permitted by the applicable law and approved by the Board of the Company.

(b) Proposal of Promoters/Directors/key Managerial Personnel of the Company to subscribe to the offer:

The Preferential Issue is being made to the

promoters of the Company.

(c) Securities to be issued:

The resolution set out in the accompanying notice authorizes the Board to issue to the Proposed Allottee up to 2,24,359 (Two lacs Twenty Four thousand three hundred fifty nine) Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each at a premium of ₹ 146/- (Rupees One hundred forty six Only), aggregating up to ₹ 3,50,00,000/- (Rupees Three Crores Fifty Lacs Only), in such manner and on such terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of the SEBI Regulations.

The Preferential Issue shall be made only in dematerialized form as per SEBI Regulations.

(d) Shareholding Pattern before and after the issue of shares involved in the present resolution is as below:

Category Code	Category of Shareholder	Pre-Issue		Post Issue	
		Pre-Issue Shares held	% of Total Shares	Post-Issue Shares held	% of Total Shares
(A)	Shareholding of Promoter and Promoter Group	74,97,158	55.26	77,21,517	55.99
(I)	Indian Promoters (A)	74,97,158	55.26	77,21,517	55.99
(B)	Public Shareholding				
(I)	Institutions				
(a)	Mutual Funds / UTI / Banks / FIs	1,43,781	1.06	1,43,781	1.04
(b)	Foreign Institutional Investors	256	0.00	256	0.00
	Sub-Total (B1)	1,44,037	1.06	1,44,037	1.04
(2)	Non-institutions				
(a)	Bodies Corporate	10,31,873	7.61	10,31,873	7.48
(b)	Individuals	29,96,357	22.08	29,96,357	21.73
(c)	Foreign Corporate Bodies / NRIs	18,28,790	13.48	18,28,790	13.26
(d)	Others	67,635	0.50	67,635	0.49
	Sub-Total (B2)	59,24,655	43.67	59,24,655	42.96
	Grand Total (A)+(B1)+(B2)	1,35,65,850	100.00	1,37,90,209	100.00

(e) Time within which the Preferential Issue shall be completed:

The Company will complete the issue & allotment of Equity Shares within a period of 15 days from the date of passing of the resolutions by the shareholders or when the allotment on preferential basis requires any approval by any regulatory authority like Reserve Bank of India (RBI), Stock Exchanges or Central Government or any

statutory body, the allotment of shares will be completed within 15 days from the date of such approvals.

(f) Identity of the natural person who are ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately controls the proposed allottee, percentage of the post preferential issue to be held by them: