

# KINETIC ENGINEERING LIMITED

## NOTICE

NOTICE is hereby given that the 43rd Annual General Meeting of the shareholders of KINETIC ENGINEERING LIMITED will be held on Monday, 29th day of September, 2014 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, 2014 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 Ms. Sulajja Firodia Motwani (DIN: 00052851), who retires by rotation and is eligible for re-appointment.
3. To appoint auditors and fix their remuneration.

### SPECIAL BUSINESS

#### 4. Appointment Mr. Ajinkya A. Firodia (DIN: 00332204) as Managing Director

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force) and subject to the approval of Shareholders and the approval from the Central Government, Mr. Ajinkya A. Firodia (DIN: 00332204), be and is hereby appointed as a Managing Director of the Company with effect from 22.04.2014, for a period of five years, on the terms and conditions recommended by the Nomination and remuneration Committee as set out below.

Remuneration (per annum)	
Salary	Rs. 26,35,380 (with 10% increase every year)
HRA	Rs. 8,78,460 (with 10% increase every year)
LTA	Rs. 1,00,000
Medical Exp. Reimb.	Rs. 15,000
Variable Pay	2% of Operating Profit (EBITDA)
<b>Benefits:</b>	
Provident Fund	As per the Rules of the Company
Superannuation	
Gratuity	
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
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

Other terms	
Tenure	5 years w.e.f. 22.04.2014
Duties and responsibilities	Subject to the superintendence, control and direction of the Board of Directors, Mr. Ajinkya A. Firodia is entrusted with the substantial powers of 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.

RESOLVED FURTHER THAT, Mr. Rohit Purandare, Company Secretary, be and is hereby authorized to submit necessary application and do all such things as are necessary, for seeking the approval of Central Government, to the terms of appointment.

**5. Appointment of Mr. Ramesh J. Kabra (DIN: 00306688) as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution:

"RESOLVED THAT, pursuant to provision of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Ramesh J. Kabra (DIN: 00306688), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28th June, 2014 and who holds office until the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Ramesh J. Kabra as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company up to March 31, 2019, not liable to retire by rotation."

**6. Appointment of Mr. Jinendra H. Munot (DIN: 00049838) as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, approval be and is hereby accorded to the appointment of Mr. Jinendra H. Munot (DIN: 00049838), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1st April, 2014 upto 31st March 2019, not liable to retire by rotation."

**7. Appointment of Dr. K. H. Sancheti (DIN: 00872400) as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, approval be and is hereby accorded to the appointment of Dr. K. H. Sancheti (DIN: 00872400), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1st April, 2014 upto 31st March 2019, not liable to retire by rotation."

**8. Appointment of Mr. Sudhir R. Sanghi (DIN: 00033352) as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, approval be and is hereby accorded to the appointment of Mr. Sudhir R. Sanghi (DIN: 00033352), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1st April, 2014 upto 31st March 2019, not liable to retire by rotation."

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## 9. **Appointment of Mr. Shirish R. Kotecha (DIN: 00170659) as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s) the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, approval be and is hereby accorded to the appointment of Mr. Shirish R. Kotecha (DIN: 00170659), in respect of whom a notice in writing pursuant to section 160 of the Companies Act, 2013 has been received in the prescribed manner, as an Independent Director on the Board of the Company for a consecutive period of five years, effective from 1st April, 2014 upto 31st March 2019, not liable to retire by rotation."

## 10. **To approve Borrowing limits of the Company**

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

"RESOLVED THAT, in supersession of the Resolutions passed by the shareholders previously in this regard and pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Rules made thereunder, approval of the Members be and is hereby accorded to authorise the Board of Directors of the Company (Board) which shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person(s), to borrow moneys in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 300 Crore (Rupees Three Hundred Crore only) over and above the aggregate of the paid-up capital and free reserves (i.e. reserves not set apart for any specific purpose) of the Company and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such moneys to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

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, proper or desirable and to settle any question, difficulty or doubt that may be necessary, proper, desirable or expedient to give effect to this resolution."

## 11. **Creation of Charges on the assets of the Company**

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

"RESOLVED THAT, in supersession of the Resolutions passed by the shareholders previously in this regard and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Rules made thereunder, approval of the Members be and is hereby accorded to authorise the Board of Directors of the Company (Board) which shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person(s), to mortgage/ charge/hypothecate/encumber any of its movable and/or immovable properties wherever situated both present and future or to lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create mortgage/charge/hypothecate/encumber, on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings of the Company in favour of any Bank(s) or Financial Institution(s) or Body(ies) Corporate or Person(s), whether the Members of the Company or not, together with interest, cost, charges and expenses thereon for an amount not exceeding Rs. 300 Crore (Rupees Three Hundred Crore only) over and above the aggregate of the paid-up capital and free reserves (that is, reserves not set apart for any specific purpose) of the Company.

RESOLVED FURTHER THAT mortgage/charge/hypothecate/encumber to be created by the Company aforesaid may rank prior/pari-passu/subservient with/to the mortgage/ charge/hypothecation/encumbrance already created or to be created by the Company as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/deeds/writings /papers/agreements as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt relating thereto that may arise in regard to creating mortgage /charge as aforesaid."

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

**Rohit Purandare**  
Company Secretary

Date: 14.08.2014

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 27. 09. 2014 to 29. 09. 2014, 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

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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](mailto: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 22 August, 2014 (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:**

- A. In case of Members receiving Notices of Annual General Meeting (AGM) through E-mail:
  - (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
  - (ii) Click on "Shareholders" tab.
  - (iii) Now, select the "KINETIC ENGINEERING LIMITED" from the drop down menu and click on "SUBMIT"
  - (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](http://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:

<b>For Members (Shareholders) holding shares in Demat Form and Physical Form</b>	
Permanent Account Number (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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Date of Birth (DOB) #	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.

# Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the Company / Depository Participant please enter the Client id / folio number in the Dividend Bank details field.

- (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 Electronic Voting Sequence Number (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) (a) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- (b) Institutional shareholders should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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- (c) After receiving the login details Institutional shareholders have to create a user who would be able to link the account(s) which institutional shareholders wish to vote on.
  - (d) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - (e) Institutional shareholders should upload 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.
- B. In case of Members receiving physical copy of Notice of AGM:
- (i) Please follow all steps from Sr. No. (i) to Sr. No. (xviii) above, to cast vote.
  - (ii) The voting period begins on Tuesday, 23rd September, 2014 at 9.00 a.m. IST and ends on Thursday, 25th September, 2014 at 6.00 p.m. IST. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22 August, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- C. 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- D. General Instruction:
- (i) You are advised to cast your vote only through one mode (E-voting or through Poll at the AGM). In case you cast your votes through both the modes, votes cast through E-voting shall only be considered and votes cast at meeting through Poll would be rejected.
  - (ii) The Company has appointed Mr. Devendra V. Deshpande, Practicing Company Secretary, as the Scrutinizer for conducting the e-voting process in fair and transparent manner.



**Annexure to Notice**

**EXPLANATORY STATEMENT AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013.**

**Item No. 4**

The Board of Directors of the Company, at its meeting held on 22nd April, 2014 has, subject to the approval of members and Central Government, appointed Mr. Ajinkya A. Firodia as Managing Director, for a period of 5 (five) years from the expiry of his present term, which expired on 21st April, 2014, at the remuneration recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

Brief resume of Mr. Ajinkya A. Firodia, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the Corporate Governance Report forming part of the Annual Report.

Mr. Ajinkya A. Firodia is related to Directors Mr. Arun H. Firodia and Ms. Sulajja Firodia Motwani. None of the Directors except Mr. Arun H. Firodia and Ms. Sulajja Firodia Motwani and Mr. Ajinkya A. Firodia, are to be considered as interested, in passing of the above mentioned resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

**Item No. 5**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Ramesh J. Kabra as an Additional Director of the Company with effect from 28th June, 2014.

In terms of the provisions of Section 161(1) of the Act, Mr. Ramesh J. Kabra would hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ramesh J. Kabra for the office of Director of the Company.

Mr. Ramesh J. Kabra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act inter alia stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Ramesh J. Kabra that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mr. Ramesh J. Kabra possesses appropriate skills, experience and knowledge, inter alia, in the field of automotive and auto ancillary manufacturing for more than 40 years.

In the opinion of the Board, Mr. Ramesh J. Kabra fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement.

Mr. Ramesh J. Kabra is independent of the management.

Brief resume of Mr. Ramesh J. Kabra, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Ramesh J. Kabra is appointed as an Independent Director. Copy of the draft letter for appointment of Mr. Ramesh J. Kabra as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution, except the appointee Director and his relatives.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.



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## **Item No. 6 to 9**

Section 149 of Companies Act, 2013 provides that Independent Directors shall hold office for a term upto 5 (Five) consecutive years. As on 31st March 2014, the Board of Directors of the Company comprised Mr. Jinendra H. Munot, Dr. Kantilal H. Sancheti, Mr. Sudhir R. Sanghi and Mr. S. R. Kotecha, as Independent Director pursuant to erstwhile clause 49 of the Listing Agreement.

Accordingly, with the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 14th August, 2014, appointed Mr. Jinendra H. Munot, Dr. Kantilal H. Sancheti, Mr. Sudhir R. Sanghi and Mr. S. R. Kotecha, as Independent Directors of the Company pursuant to Section 149, Schedule IV and other applicable provisions, of the Companies Act, 2013, for a consecutive period of 5 years from 1st April, 2014 to 31st March, 2019, subject to the approval of shareholders.

Further, pursuant to the provisions of Section 149 of Companies Act, 2013, Independent Directors are not liable to retire by rotation. Therefore, considering the provisions of Companies Act, 2013, all the Independent Directors shall not be liable to retire by rotation.

Therefore, as required under Schedule IV, appointment of these Independent Directors is set out in the item 6 to 9 of the Notice for approval of shareholders.

In respect of the appointments of the aforesaid directors, a notice in writing in the prescribed manner as required by section 160 of the Companies Act, 2013 and Rules made thereunder has been received by the Company, regarding candidature of the aforesaid directors for the office of the director.

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6). The respective appointee is not disqualified from being appointed as a director in terms of section 164 of the Act.

The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member between 10.00 a.m. and 01.00 p.m. on all working days (Monday to Friday) of the Company upto and including the day of the meeting and the same shall also be available at the Company's website.

The Board is of the opinion that the aforesaid directors possess requisite skills, experience and knowledge relevant to the Company's business and it would be in the interest of the Company to continue to have their association with the Company as directors.

Further, in the opinion of the Board, the proposed appointment of independent directors, fulfills the conditions specified in the Act and the Rules made thereunder and that the proposed appointment of independent directors is independent of the management.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution, except the appointee Director(s) and their relatives.

The Board recommends the Ordinary Resolutions set out at Item Nos. 6 to 9 of the Notice for approval by the shareholders.

## **ITEM NO. 10**

The Members at its previous meetings had delegated the powers to the Board of Directors of the Company to borrow the funds above the statutory limits over and above the aggregate of the paid-up capital and free reserves of the Company. However, the resolution was passed as an Ordinary Resolution as per the requirement of Companies Act, 1956.

As the Companies Act, 2013, effective from 1st April, 2014, requires a Special Resolution of the members for the purpose under the requirements of Section 180 (1) (c) of the Act.

In view of the above, your Directors recommend to the Members to pass a special resolution under the provisions of Section 180(1)(c) of the Companies Act, 2013 so as to enable the Board of Directors of the Company to borrow an amount within overall limit, as and when necessary.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends the Special Resolution set out at Item No. 10 of the Notice for approval by the shareholders.

**ITEM NO. 11**

The borrowings of the Company are in general required to be secured by mortgages/ charges / hypothecation or encumbrances on all or any of the movable or immovable properties of the Company in such form, manner and ranking as may be stipulated by the lender(s) and accepted by the Board of Directors of the Company from time to time.

The mortgages and / or charges by the Company of its movable and immovable properties and/ or the whole or any part of the undertaking(s) of the Company in favour of any Bank(s) or Financial Institution(s) or Body(ies) Corporate or Person(s) with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

In view of the above, your Directors recommend to the Members to pass a Special Resolution under the provisions of Section 180(1)(a) of the Companies Act, 2013 so as to enable the Board of Directors of the Company to create mortgage and/ or charge for securing the borrowings of the Company, as and when necessary.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above mentioned resolution.

The Board recommends the Special Resolutions set out at Item No. 11 of the Notice for approval by the shareholders.

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

**Rohit Purandare**  
Company Secretary

Pune, 14th August, 2014

# KINETIC ENGINEERING LIMITED

## Annexure to Notice Details of Directors seeking appointment / re-appointment at the Annual General Meeting“(In pursuance of Clause 49 of the Listing Agreement with Stock Exchanges)

Name	Mr. Sulajja Firodia Motwani	Mr. Ajinkya A. Firodia	Mr. Ramesh J. Kabra	Mr. Jinendra H. Munot	Dr. K. H. Sancheti	Mr. Sudhir R. Sanghi	Mr. Shirish R. Kotecha
Age	43	34	71	61	78	63	62
DIN	00052851	00332204	00306688	00049838	00872400	00033352	00170659
Date of Appointment	04th May, 1996	06th April, 2009	28th June, 2014	6th August, 2011	27th May, 1989	31st October, 1995	27th November, 1987
Qualification	Master of Business Administration (MBA)	Bachelor of Engg. & Economics from Brown University, USA	Post Graduate Diploma in Production Engineering (V.J.T.I.)	B.E. (Mech), M.S. (Mech) USA, AMIE (India)	MBBS, D.ORTHO, FCPS, M.S. (ORTHO), F.I.C.S., F.A.C.S., PH.D	Commerce Graduate, Adv. Dip. In International Business, Marketing Management & Agriculture	M.S. Automobiles, Kanaz University, USA
Expertise/ Experience	Vast experience in the area of Marketing, Finance, Strategic planning and corporate restructuring.	Vast and rich experience in automobile sector and particularly manufacturing of automotive systems	40 Years professional experience in the field of automotive and auto ancillary manufacturing industry.	35 Years experience in Automobile Industry in various capacity	42 Years as a surgeon	Instrumental in conceiving, promoting & launching diverse products	32 Years of Manufacturing Research on innovative farming methods.
Directorships as on 31st March, 2014	Kinetic Marketing and Services Limited, Kinetic Auto Ltd., Kinetic Green Energy and Power Solutions Limited	ZF Steering Gear (India) Ltd., Kinetic Marketing & Services Ltd., Kinetic Auto Ltd., Jaya Hind Sciaky Ltd.	Nil	ZF Steering Gear (India) Ltd. Varsha Forging Ltd.	NIL	Sanghi Polymers Ltd. Sanghi Spinners India Ltd.	NIL
Chairmanship/ Membership of Committees of other Public Companies as on 31st March, 2014	NIL	NIL	NIL	NIL	NIL	3	NIL
Shareholding in the Company	616	28049	NIL	28712	241	NIL	16655

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

**Rohit Purandare**  
Company Secretary

Pune, 14th August, 2014