



**CELEBRATING 50 YEARS OF KINETIC**

**KEL:SH:SE**

**Date: 21<sup>st</sup> January, 2025**

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

Scrip Code: BSE-500240

**Subject: Press Release**

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of a Press Release.

This is for your information and records.

Thanking you.

Yours faithfully,

**For Kinetic Engineering Limited**

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**Chaitanya Mundra**  
**Company Secretary and Compliance Officer**

**Encl: As above**

## **KINETIC ENGINEERING LTD**

**Registered Address:**  
D1 Block, Plot No.18/2,  
Chinchwad, Pune  
Maharashtra India 411019

**Factory Address:**  
Kinetic Manufacturing Plant  
Nagar-Daund Road, Ahmednagar  
Maharashtra India 414001

**Contact:** +91 2066142049  
**Email ID:** kelinvestors@kineticindia.com  
**Website:** www.kineticindia.com  
**CIN:** L35912MH1970PLC014819

## **Kinetic Engineering Ltd. Unveils Strategic INR 177 Crore Investment led by Promoters to Drive Transformation and Achieve INR 1,000 Crore Revenue Target**

- *Investment of INR 177 crore through convertible warrants, convertible within 18 months*
- *Promoters' shareholding is set to increase from 59% to 70%*
- *Significant focus on EV innovation.*
- *The company aims to achieve INR 1,000 crore in revenue by 2029, reflecting 8x to 10x growth.*

**Mumbai, January 21, 2025:** Kinetic Engineering Ltd. (KEL), a leading player in India's automotive components industry, has made a significant announcement regarding a strategic move by its promoters. The company will issue convertible warrants worth INR 177 crore, with a conversion period of 18 months. The promoters have committed to an initial investment of INR 55 crore by March 2025, which includes 25% of the warrant subscription amount for future investments, contingent upon SEBI and shareholder approvals. Additionally, outside investors have subscribed to warrants totalling INR 17.10 crore, with notable contributors including Transaction Square LLP and Sai Geeta Penumetsa.

The investment plan outlines a phased commitment: INR 60 crore by March 2025, followed by INR 44 crore by March 2026, and INR 73 crore by March 2027. This strategic initiative aims to propel Kinetic Engineering Ltd. (KEL) toward its ambitious revenue target of INR 1,000 crore by 2029, a significant leap from its current revenue of INR 150 crore. It also supports the promoters' objective to increase their stake in the company from 59% to 70% by 2027.

Since 2017, the promoters have steadily raised their stake, growing from 49% to 70%, reflecting a 21% overall increase. As part of this initiative, approximately INR 93.5 lakh new shares will be issued to the promoters, bringing their total holdings to 2.26 crore shares and the company's total outstanding shares to 3.26 crore by July 2027. The investment is spearheaded by the company's founder and chairman, Mr. Arun Firodia, along with family-owned trusts—Arun Firodia Trust and Jayashree Firodia Trust.

This capital infusion and the issuance of strategic warrants underscore the promoters' confidence in KEL's long-term strategy, positioning the company to capitalise on emerging opportunities in the evolving mobility landscape. The investment will be deployed to strengthen working capital, enhance manufacturing capabilities, and drive innovation in product development, particularly in high-growth areas such as electric vehicle (EV) components.

### **Commenting on the development, Ajinkya Firodia, Vice Chairman, Kinetic Group, said:**

"Kinetic Engineering Limited has over 50 years of experience in manufacturing. It has successfully transformed into an auto components business and enjoys strong relationships with the world's largest OEMs. Leveraging these long-standing partnerships, we expect to finalise significant business deals shortly. Additionally, we are heavily focused on the EV segment, with plans for our subsidiary, Kinetic Watts & Volts, nearing finalisation. These initiatives will drive an 8x to 10x revenue growth, and we are pleased to make this investment to meet the required capital expenditure, working capital,

and growth initiatives. This infusion of capital from the promoters reinforces our growth blueprint, enabling us to take bold strides toward achieving our INR 1,000 crore revenue milestone. We are committed to using this investment to fuel innovation, improve operational efficiencies, and meet the evolving demands of the automotive and EV industries.”

KEL’s aggressive growth strategy is driven by an expanded export business, a diversified portfolio, a strong focus on EVs through its subsidiary, and cost-reduction initiatives. The company aims to scale its business significantly by enhancing its domestic and international presence while maintaining its leadership in the automotive components sector.

The company’s strategic emphasis remains firmly on the EV sector, focusing on developing advanced drivetrain solutions, gear systems, and other products through its subsidiary, Kinetic Watts & Volts. Incorporated in September 2022, the subsidiary has been working on innovative products, which will be unveiled shortly. Additionally, KEL is expanding its R&D capabilities to deepen its footprint in the EV segment while exploring collaborations with OEMs to accelerate growth.

“This capital infusion empowers us to accelerate our transformation journey, explore new business verticals, and unlock greater value for our stakeholders,” **added Mr. Firodia.** “The time for Kinetic to reinvent, grow, and scale up has arrived. Our priority is to build a future-ready organisation that anticipates market shifts and responds proactively.”

The promoters’ increased investment and stake expansion reflects their steadfast commitment to KEL’s future, enabling the company to pursue its ambitious growth plans in the evolving automotive sector. KEL’s transformation strategy is rooted in sustainable growth, long-term value creation, and the ability to execute its priorities effectively in a competitive market landscape.

#### **About Kinetic Engineering:**

Kinetic Engineering Limited (KEL) is the flagship company of the Kinetic Group with five decades of manufacturing experience. Kinetic is led by Ajinkya Firodia, Managing Director, who appears as one of the angel investors in the first season of Indian Angels, the world’s first OTT angel investing show recently premiered on JioCinema.

The Pune-based company, which has been in the industry for over five decades, has been a pioneer in the automotive industry. The company’s manufacturing unit in Ahmednagar is spread over 70 acres and has over 1000 employees, 32 manufacturing sheds, and more than 400 machines. All of KEL’s products are IATF 16949 certified.

KEL recently celebrated its 52nd anniversary and glorious journey in manufacturing excellence. The firm’s esteemed customer list includes Renault, American Axle, TATA Motors, Mahindra & Mahindra, Ashok Leyland, Magna Powertrain, Sonalika tractors, Carraro products, and many others. It has over 1,000 employees at its large manufacturing plant in Ahmednagar, while its corporate office is based in Chinchwad, Pune.

Kinetic Engineering Limited stock is quoted on the Bombay Stock Exchange (BSE): 500240.