



KIRLOSKAR INDUSTRIES LIMITED

Enriching Lives

NOTICE

Notice is hereby given that the Annual General Meeting of Kirloskar Industries Limited will be held on Wednesday, the 25th day of July 2012 at 11.00 a.m. at S. M. Joshi Socialist Foundation (S. M. Joshi Hall), S. No. 191/192, Navi Peth, near Ganjave Chowk, Pune 411 030 to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1:

To receive, consider and adopt the Audited Statement of Profit and Loss for the Financial Year ended 31 March 2012, the Balance Sheet as at that date and the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2:

To declare dividend on equity shares for the Financial Year ended on 31 March 2012.

ITEM NO. 3:

To appoint a Director in place of Mr. Nihal Kulkarni, who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO. 4:

To appoint a Director in place of Mr. A. N. Alawani, who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO. 5:

To appoint M/s. G. D. Apte & Co., Chartered Accountants, (Firm Registration Number 100515W) as Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

ITEM NO. 6:

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

“RESOLVED THAT Ms. Aditi Chirmule, who was co-opted as an Additional Director by the Board of Directors of the Company with effect from 25 January 2012 and who holds office of Director up to the date of this Annual General Meeting pursuant to Article 160 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice pursuant to Section 257 of the Companies Act, 1956, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company.”

ITEM NO. 7:

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

“RESOLVED THAT Ms. Gauri Kirloskar, who was co-opted as an Additional Director by the Board of Directors of the Company with effect from 26 April 2012 and who holds office of Director up to the date of this Annual General Meeting pursuant to Article 160 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice pursuant to Section 257 of the Companies Act, 1956, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company.”

ITEM NO. 8:

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

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, 314 and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the



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time being in force) read with Articles 167(A), 167(B) and 167(C) of the Articles of Association of the Company and Schedule XIII of the Companies Act, 1956 (including any amendment or statutory modification thereto for the time being in force) and subject to such sanctions as may be necessary, Ms. Aditi Chirmule who was already serving the Company as its Company Secretary, be and is hereby appointed as the Executive Director & Company Secretary of the Company, not liable to retire by rotation, for a period of 5 (five) years commencing from 25 January 2012, upon the terms and conditions as set out in the agreement to be entered into between the Company and Ms. Aditi Chirmule and on the remuneration as set out below:

A. BASIC SALARY:

Basic Salary shall be ₹ 2,15,000 (₹ Two Lakhs Fifteen Thousand only) per month.

B. PERQUISITES:

In addition to the aforesaid salary, Ms. Aditi Chirmule as Executive Director & Company Secretary shall be entitled to the following perquisites:

1. Reimbursement of all medical expenses incurred for self and family, subject to a limit of ₹ 15,000/- (₹ Fifteen Thousand only) per annum. In addition, hospitalization expenses incurred in India for self and family will be paid on actual basis.
2. Leave travel assistance for self and family, once in a year, not exceeding half a month's salary.
3. Term Insurance, premium whereof does not exceed ₹ 12,000/- (₹ Twelve Thousand only) per annum.
4. Provision of car.
5. Telephone at residence and a mobile phone. Personal long distance calls shall be billed by the Company to the Executive Director & Company Secretary.
6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.
7. Gratuity at the rate not exceeding 15 days' salary for each completed year of service.
8. Leave at the rate of 30 days per calendar year of service. Leave calculation for a part of the calendar year at the date of appointment as Executive Director & Company Secretary or on ceasing to be Executive Director & Company Secretary shall be made on a pro-rata basis at the rate of two and a half days' leave for every month of service. Leave accumulated and not availed of, may be encashed at the end of tenure as per the rules of the Company.

"Family" for the above purpose means spouse, dependent children and dependent parents of the Executive Director.

Perquisite shall be evaluated as per the provisions of the Income Tax Rules.

C. COMMISSION:

Commission as may be decided by the Board of Directors based on the net profits of the Company each year.

D. MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of her tenure as Executive Director & Company Secretary, the payment of salary, perquisites and other allowances shall stand reduced to the limit prescribed in Section II of Part II of Schedule XIII to the Companies Act, 1956, as minimum remuneration.

For the purpose of computation of minimum remuneration, the following shall not be included-

- a. Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.



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- b. Gratuity at the rate not exceeding fifteen days salary for each completed year of service as Executive Director & Company Secretary.
 - c. Encashment of leave at the end of the tenure.
- E. So long as she functions as Executive Director & Company Secretary, she shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to revise from time to time during the tenure of the present appointment of Ms. Aditi Chirmule, the remuneration payable to her as Executive Director & Company Secretary, subject to ceilings laid down in Section 198, 309 and Schedule XIII to the Companies Act, 1956 without further approval of the members of the Company but with such other approvals, sanctions or permissions, if any, required for such revision in the remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary to give effect to this resolution.”

By Order of the Board of Directors

Aditi Chirmule

Executive Director &
Company Secretary

Place: Pune

Date: 26 April 2012

NOTES:

- i. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- ii. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time fixed for holding the meeting. Proxies shall not have any right to speak at the meeting.
- iii. Pursuant to Section 173 of the Companies Act, 1956, an Explanatory Statement in respect of the businesses mentioned under Item No. 6, 7 and 8 above, is annexed.
- iv. The Register of Members and share transfer books of the Company will remain closed from Wednesday, 18 July 2012 to Wednesday, 25 July 2012, both days inclusive.
- v. The documents relating to the items of Special Business are available for inspection by the Members of the Company at its Registered Office between 11.00 a.m. to 1.00 p.m. on any working day of the Company.
- vi. Dividend on shares as recommended by the Directors, if declared, at this Annual General Meeting, will be paid to those members whose names will appear on the Register of Members as on 25 July 2012. In respect of the shares in the electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
- vii. Pursuant to Section 205A of the Companies Act, 1956, the amount of unclaimed final dividend for the year ended 31 March 2004 has already been transferred to the 'Investor Education and Protection Fund' on 26 August 2011.



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- viii. Pursuant to Sections 205A and 205C of the Companies Act, 1956, any money transferred to the unpaid dividend account, which remains unpaid or unclaimed for a period of 7 years from the date of such transfer is now required to be transferred to the 'Investor Education and Protection Fund' set up by the Central Government. Accordingly, the unpaid / unclaimed dividend for the years 2004 – 05 onwards will become transferable at the end of respective seven years to the said Fund. Once the amount is so transferred, no claim shall lie against the Fund or the Company in respect of dividend amount thereafter. Shareholders are requested to send their claims, if any, for the financial year 2004–05 onwards, before the amount becomes due for transfer to the above Fund. Shareholders are requested to encash the dividend warrants immediately on their receipt by them.
- ix. In order to get their dividend through National Electronic Clearing Service (NECS), members who are holding shares in physical form are requested to inform their bank account details such as the name of the bank, branch, its address, account number, 9 digit MICR code, IFSC code and type of account i.e. Savings or Current or Cash Credit etc. to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company having its office at 'Akshay' Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune – 411 001. Shareholders holding shares in dematerialised form are requested to inform their bank account particulars to their respective Depository Participant and not to the Registrar and Share Transfer Agent/the Company. Those shareholders who do not opt for NECS facility may inform only Bank Account No. and Bank name for printing the same on the dividend warrant to ensure safety.
- Members who wish to avail the above facility are requested to submit required information to the Registrar and Share Transfer Agent on or before the closing hours on Tuesday, July 17, 2012.
- x. Members are requested to immediately notify the Registrar and Share Transfer Agents (Depository Participant, in case of shares held in dematerialised form) of any change in their address.
- xi. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.
- xii. Members may avail of the facility of dematerialisation by opening depository accounts with the Depository Participants of either National Securities Depository Limited OR Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised.
- xiii. Members are requested to bring their attendance slip and copy of the Annual Report at the meeting.
- xiv. Members are requested to register their e-mail addresses with Company / Registrar and Share Transfer Agent in case of holding of shares in physical form and with concerned Depository Participants in case of shares held in dematerialised form.

By Order of the Board of Directors

Aditi Chirmule
Executive Director &
Company Secretary

Place: Pune
Date: 26 April 2012



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**ANNEXURE TO THE NOTICE
EXPLANATORY STATEMENT**

As required by Section 173 of the Companies Act, 1956 and pursuant to Clause 49 of the Listing Agreement, the following Explanatory Statement sets out all material facts relating to Item Nos. 3, 4, 6, 7 & 8 in the accompanying notice of Annual General Meeting of the Company to be held on Wednesday, 25th July 2012 at 11.00 a.m. at S. M. Joshi Socialist Foundation (S. M. Joshi Hall), S. No. 191/192, Navi Peth, near Ganjave Chowk, Pune 411 030.

ITEM NO. 3 OF THE NOTICE:

Mr. Nihal Kulkarni retires by rotation and being eligible, offers himself for re-appointment.

He is not holding any equity shares in the Company.

A brief profile of Mr. Nihal Kulkarni is included in the Report on Corporate Governance attached to the Directors Report.

Mr. Nihal Kulkarni is not related to any other director on the Board of the Company as per the provisions of Section 6 of the Companies Act, 1956.

ITEM NO. 4 OF THE NOTICE:

Mr. A. N. Alawani, retires by rotation and being eligible, offers himself for re-appointment.

He holds 2,285 (0.02%) equity shares in the Company.

A brief profile of Mr. A. N. Alawani is included in the Report on Corporate Governance attached to the Directors Report.

Mr. A. N. Alawani is not related to any other director on the Board of the Company as per the provisions of Section 6 of the Companies Act, 1956.

ITEM NO. 6 & 8 OF THE NOTICE:

Pursuant to Article 160 of the Articles of Association of the Company, the Board of Directors on 25 January 2012 co-opted Ms. Aditi Chirmule, as an Additional Director on the Board of the Company. Being an Additional Director, she holds the office up to the date of this Annual General Meeting.

The Board of Directors appointed Ms. Aditi Chirmule, who was serving the Company as Company Secretary, as the Executive Director & Company Secretary, for a period of 5 years commencing from 25 January 2012 subject to the approval of shareholders on the terms and conditions as set out in the Agreement to be entered between the Company and Ms. Aditi Chirmule. She shall draw remuneration only from the Company. The remuneration payable to Ms. Aditi Chirmule is stated in the resolution at item No.8 of this Notice.

Ms. Aditi Chirmule was serving the Company as its Company Secretary and that her appointment as Executive Director & Company Secretary is treated as continuation of service. If Ms. Aditi Chirmule is appointed as Executive Director & Company Secretary, her leave accumulated and not availed of, during her tenure as Company Secretary may be continued to be accumulated till the end of the tenure of such Directorship. Similarly gratuity payable at the end of the tenure shall be paid to her, also for the years of her serving the Company as Company Secretary. Such encashment of unavailed leave balance and gratuity shall be payable based on salary last drawn as Executive Director & Company Secretary.

Ms. Aditi Chirmule joined the Company in 1994 as Senior Officer. Ms. Aditi Chirmule, who is an Associate Member of the Institute of Company Secretaries of India, was elevated as Company Secretary of the Company.

She has been associated with the Kirloskar Group since 1989 and has played a major role in internal and external restructuring of businesses and mergers, acquisitions and formation of joint ventures.



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Ms. Aditi Chirmule is also Director in following companies:

G. G. Dandekar Machine Works Limited @/*	Nashik Silk Industries Limited
G.G. Dandekar Investments Pte.Ltd.	

* Audit Committee – Member

@Share Transfer and Investors' Grievance Committee – Chairperson

Ms. Aditi Chirmule is not holding any equity shares of the Company.

Ms. Aditi Chirmule is not related to any of the Directors on the Board of the Company as per provisions of Section 6 of the Companies Act, 1956.

None of the Directors except Ms. Aditi Chirmule is in any way, concerned or interested in the said resolution.

As required by Section 257 of the Companies Act, 1956, the Company has received a notice along with deposit from a member proposing the candidature of Ms. Aditi Chirmule for the office of Director of the Company.

ITEM NO. 7 OF THE NOTICE:

Pursuant to Article 160 of the Articles of Association of the Company, the Board of Directors on 26 April 2012 co-opted Ms. Gauri Kirloskar, as an Additional Director on the Board of the Company. Being an Additional Director, she holds the office upto the date of this Annual General Meeting.

As required by Section 257 of the Companies Act, 1956, the Company has received a notice along with deposit from a member proposing the candidature of Ms. Gauri Kirloskar for the office of Director of the Company.

Ms. Gauri Kirloskar has a B.Sc. in Business Administration (Finance) from the Carnegie Mellon University, USA. She worked for two years as an analyst in the Merrill Lynch Mergers & Acquisitions group, advising on over \$ 10 billion of mergers, divestitures and corporate restructuring with clients spanning across multiple industries and around the globe.

Following her time at Merrill Lynch, Ms. Gauri Kirloskar joined the Corporate Finance and Strategy Group at Pearson Plc, a \$ 15 billion (Enterprise Value) Education and Publishing Conglomerate where for two years she executed the firm's bolt-on acquisition strategy.

She is currently an Executive Director of Kirloskar Integrated Technologies Limited and also a Director of GreenTek Systems (India) Ltd.

Ms. Gauri Kirloskar is not holding any equity shares of the Company.

Ms. Gauri Kirloskar and Mr. Atul C. Kirloskar, being daughter and father, are related to each other, as per provisions of Section 6 of the Companies Act, 1956.

No Director other than Ms. Gauri Kirloskar and Mr. Atul C. Kirloskar, Chairman of the Company, being the father of Ms. Gauri Kirloskar is concerned or interested in the above item.

By Order of the Board of Directors

Aditi Chirmule

Executive Director &
Company Secretary

Place: Pune

Date: 26 April 2012



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Dear Shareholder,

Subject: Green Initiative - Registration of E-mail address

The Ministry of Corporate Affairs, (MCA) had taken a "Green Initiative in the Corporate Governance" vide its Circular Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011, respectively and had permitted the companies to serve the documents viz. annual reports, notices of general meetings/ postal ballot, other documents etc. to the shareholders through electronic mode.

SEBI, vide its circular ref. No. CIF/CFD/DIL/2011 dated 5 October 2011, has directed listed companies to supply soft copies of full Annual Reports to all those shareholders who have registered their email addresses.

Your Company, being dedicated towards preserving and protecting environment, continuously seeks opportunities to reduce adverse impact on the planet. In order to continue our support for this year also towards "Green Initiative", your Company has decided to have paperless documentation to the maximum possible extent by forwarding the above referred documents to you through electronic mode. This will also ensure prompt receipt of communication and avoid loss in postal transit.

We therefore request you to register your E-mail address and / or changes therein from time to time with the Company's Registrar & Share Transfer Agent (R & T Agent) at kirloskarindgogreen@linkintime.co.in, in case you are holding shares in physical mode by filling up the form appearing on reverse of this communication and with your Depository Participant (DP), in case you are holding shares in dematerialised mode.

In case you require physical copies of Annual Reports and other documents, you may send an email at kirloskarindgogreen@linkintime.co.in or write to the Company's R & T Agent viz. Link Intime India Private Limited at 'Akshay' Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Pune – 411 001, by quoting the name of first/sole shareholder, Folio no./DP ID and Client ID. The above documents will be sent to you free of cost.

We request your whole-hearted support to this "Green Initiative" by opting for electronic mode of communication.

Thanking you,

Yours faithfully,

For **Kirloskar Industries Limited**

Sd/-

Aditi Chirmule
Executive Director &
Company Secretary

Place: Pune

Date: 22 May 2012

Registered Office : 13/A, Karve Road, Kothrud, Pune - 411 038

Tel. No. : +91 (20) 2545 2721 Fax : +91 (20) 2545 4723

Website : www.kirloskar.com

TEAR HERE

REGISTRATION OF E-MAIL ADDRESS FORM

(In terms of circular Nos.17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011, respectively issued by Ministry of Corporate Affairs)
(For shares in physical mode)

Link Intime India Private Limited

(Unit: Kirloskar Industries Limited)
Akshay Complex, Block No. 202,
Near Ganesh Temple,
Off Dhole Patil Road,
Pune - 411 001

I/we shareholder(s) of Kirloskar Industries Limited hereby accord my/our approval to receive documents viz. annual reports, notices of general meetings/ postal ballot and such other documents that Ministry of Corporate Affairs may allow, to be sent in electronic mode.

I/we request you to note my/our latest email address, as mentioned below. If there is any change in the E-mail address, I/we will promptly communicate the same to you. I/we attach the self attested copy of PAN Card / Passport towards identification proof for the purpose of verification.

Folio No.	
Name of first/sole shareholder	
Name of joint shareholder(s) if any	
Registered Address	
E-mail address (to be registered)	

Place:

Date:

(Signature of shareholder)

Note: This form is available on Company's website www.kirloskar.com

----- TEAR HERE -----

(For Shares in dematerialised mode)

You are requested to register your E-mail address and/or changes therein from time to time with your Depository Participant.

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