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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

NOTICE

Notice is hereby given that 9th Annual General Meeting of Kirloskar Oil Engines Limited will be held on Friday, the 10th day of August 2018 at 12.15 p.m. at Hotel Sheraton Grand Pune (Erstwhile Le Meridien), Raja Bahadur Mill Road, Pune – 411 001, to transact the following business:

ORDINARY BUSINESS

ITEM NO.1

To receive, consider and adopt the Audited Standalone Financial Statements and the Consolidated Financial Statements of the Company for the Financial Year ended 31 March 2018 together with the Reports of the Directors and Auditors thereon.

ITEM NO.2

To declare final dividend of ₹ 2.50/- per equity share (125%) and to confirm the interim dividend of ₹ 2.50/- per equity share (125%), already paid during the year, for the financial year ended 31 March 2018.

ITEM NO.3

To appoint a director in place of Mr. Mahesh R. Chhabria (DIN 00166049) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

ITEM NO.4

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

“RESOLVED THAT pursuant to the provisions of section 196, 197 read with schedule V and other applicable provisions if any of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Articles 167 (A), 167 (B) and 167 (C) of the Articles of Association of the Company and subject to such other approvals as may be necessary, Mr. Rajendra R. Deshpande (DIN 00007439) be and is hereby re-appointed as the Whole Time Director with designation as the Joint Managing Director of the Company for a term of 2 years with effect from 29 April 2018, upon the terms and conditions as set out in the Agreement to be entered into between the Company and Mr. Rajendra R. Deshpande, on the remuneration and other terms, set out below:



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

BASIC SALARY:

₹ 8,50,000/- (Rupees Eight Lakhs Fifty Thousand only) per month.

PERQUISITES:

In addition to the aforesaid salary, Mr. Rajendra R. Deshpande as the Joint Managing Director shall be entitled to the following perquisites:

- a) In lieu of fully furnished residential accommodation, house rent allowance of ₹ 1,00,000/- per month be paid. Additionally, expenses on furnishings upto ₹ 15,000/- per month. Gas, electricity, water and other utilities and repairs shall be borne by the Company at actuals.
- b) Reimbursement of all medical expenses incurred for self and family.
- c) Leave travel assistance for self and family upto the limit of ₹ 2,50,000/- per annum .
- d) Fees of clubs, subject to a maximum of two clubs, which will include admission fee but will not include life membership fees.
- e) Personal accident insurance, premium whereof does not exceed ₹ 25,000 per annum.
- f) A car with driver.
- g) Telephone and fax facilities at residence.
- h) Contribution to provident fund, superannuation fund or annuity fund and National Pension Scheme to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
- i) Gratuity at the rate of 30 days' salary for each completed year of service as Joint Managing Director
- j) Leave at the rate of one month for every eleven months of service. Leave not availed of may be encashed at the end of the tenure, and

"Family" for the above purpose means wife, dependent children and dependent parents of the Joint Managing Director.

Perquisites shall be evaluated as per the provisions of the Income tax Rules.

COMMISSION:

Commission shall be decided by the Board of Directors based on the net profits of the Company each year subject to the condition that the aggregate remuneration of the Joint Managing Director shall not exceed the limit laid down under Section 197 including rules made thereunder and Schedule V of the Companies Act, 2013.

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in any financial year during the currency of his tenure as the Joint Managing Director, remuneration by way of salary, perquisites and other allowances shall be in accordance with the ceiling prescribed in Schedule V to the Companies Act, 2013 or any statutory modification thereof.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to consider revision in the remuneration payable to Mr. Rajendra R. Deshpande during his 2 years' term of re-appointment as the Joint Managing Director, subject to the ceiling laid down in Section 197 including rules made thereunder and Schedule V of the Companies Act, 2013 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 Mr. Rajendra R. Deshpande will be a Director liable to retire by rotation and his re-appointment as such Director shall not be deemed to constitute a break in his appointment as the Joint Managing Director.”

ITEM NO. 5

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions if any of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration upto ₹ 7,50,000/- plus applicable taxes thereon and the reimbursement of out of pocket expenses on actual basis as approved by the Board of Directors of the Company, payable to M/s. Parkhi Limaye and Co., Cost Accountants, for conducting the audit of the Cost records maintained by the Company for the financial year ended 31 March 2019, be and is hereby ratified and confirmed.”

ITEM NO. 6

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

“RESOLVED THAT in continuation of approval given by the members by special resolution dated 4 August 2017, pursuant to the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, which will be effective from 1 April 2019 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval be and is hereby granted for the continuation of present second term of Mr. R. Srinivasan (DIN 00043658) who has attained the age of 76 years, to hold office as an Independent Director of the Company after 1 April 2019 till the expiry of his present second term on 11 August 2022.”

By Order of the Board of Directors

Sd/-

Place: Pune

Date: 18 May 2018

Smita Raichurkar
Company Secretary



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KIRLOSKAR OIL ENGINES LIMITED

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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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 a proxy for any other person or shareholder.

- 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 submitted on behalf of the Companies, Societies etc., must be supported by appropriate resolution / authority, as applicable.
- iii. The statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the meeting is annexed hereto.
- iv. Details pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of directors seeking re-appointment at Annual General Meeting forms part of the notice.
- v. The Register of Members and Share Transfer Books of the Company will remain closed from **4 August 2018 to 10 August 2018** both days inclusive.
- vi. Dividend on shares as recommended by the Directors, if declared, at this Annual General Meeting, will be paid to those members
- a) whose names appears as beneficial owners as at the end of Business hours on **3 August 2018**, in the list of beneficial owners made available by National Securities Depository Limited and Central Depository Services (India) Limited in respect of shares held in dematerialised form; and
- b) whose names appears as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with Company / Registrar and Share Transfer Agent (R & T Agent) on or before **3 August 2018**.

- vii. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, 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 required to be transferred to the 'Investor Education and Protection Fund (IEPF)'.

Pursuant to the provisions of IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 and its amendments thereon, all shares in respect of which the dividend has not been paid or claimed for 7 consecutive years or more, are required to be transferred to IEPF.

Accordingly, the unpaid / unclaimed dividend for the year 2009-10, along with 3,66,952 equity shares of ₹ 2 each has been transferred to the said Fund, after following the prescribed procedure.

Shareholders are requested to send their claims, if any, 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.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

The details of unclaimed and unpaid amount of Dividend for the the year 2009-10 onwards, due to the shareholders of the Company as on 4 August 2017, are available on the Company's website viz. www.koel.co.in.

viii. Register National Electronic Clearing Service (NECS) Mandate

In order to get your dividend through 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, R & T 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. (Ph.No. 020-26161629) Shareholders holding shares in dematerialised form are requested to inform their bank account particulars to their respective Depository Participant (DP) and not to the R & T Agent of the Company. Those shareholders who do not opt for NECS facility may inform only bank account number 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 R& T Agent on or before the closing hours on 3 August 2018.

ix. Permanent Account Number (PAN)

Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members are requested to submit their PAN to their DPs (in case of shares held in dematerialised form) or to the Company / R & T Agent (in case of shares held in physical form).

x. Members are requested to immediately notify the R & T Agent (DP in case of shares held in dematerialised form) of any change in their correspondence 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. Dematerialisation of Share

Trading in the shares of the Company can be done in dematerialized form only. Members are requested to avail the facility of dematerialisation by opening Depository accounts with the DPs of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised, in order to avoid hassles involved with physical shares such as possibility of loss/ mutilation of share certificate(s), and to ensure safe and speedy transaction in securities.

xiii. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

xiv. Members having multiple folios are requested to intimate to the Company / R & T Agent such folios, to consolidate all shareholdings into one folio.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

- xv. Members are requested to submit Nomination forms duly filed with R & T Agent in case of holding of shares in physical form and with their respective DPs, in case of shares held in dematerialised form. The Nomination Form is available with R & T Agent of the Company.
- xvi. **Register E-mail Address**
- To support Green Initiative, Members are requested to register their e-mail addresses with the Company / R & T Agent viz. Link Intime India Private Limited, in case of holding of shares in physical form and with concerned DPs in case of shares held in dematerialised form.**
- xvii. Members may also note that the Notice of the 9th Annual General Meeting and Annual Report for 2017-18 will also be available on the Company's website www.koel.co.in. The relevant documents referred to in the Notice will be open for inspection by the members at the Registered Office of the Company on all working days of the Company during business hours.
- xviii. Electronic copy of the Notice of the 9th Annual General Meeting and Annual Report for 2017-18 are being sent to all the members whose email IDs are registered with the Company/ R & T Agent / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their mail address, physical copy of the Notice of the 9th Annual General Meeting and Annual Report for 2017-18 are being sent in the permitted mode.
- xix. Members are requested to bring their attendance slip and copy of the annual report at the meeting.
- xx. Route Map showing directions to reach the venue of the 9th Annual General Meeting is given at the end of this Notice as per requirement of the Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India.
- xxi. **Voting through electronic means / Ballot Paper**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the 9th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **7 August 2018 (9:00 am) and ends on 9 August 2018 (5:00 pm)**. During this period members of the Company, holding shares either in physical



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

form or in dematerialized form, as on the cut-off date of **3 August 2018**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The instructions for Remote e-voting through electronic means are as under:

A. **Member whose email IDs are registered with the Company/ R & T Agent viz. Link Intime India Private Limited / Depository Participant(s)** will receive an email from NSDL informing them of their User-ID and Password.

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
- b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:

1. Initial password will be provided separately:
EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
2. Please follow all steps from Sr. No. A above, to cast vote.

VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail at csmsp.office@gmail.com with a copy marked to evoting@nsdl.co.in



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

- VII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
- VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available on the website www.evoting.nsdl.com under the ‘Downloads section’. You can also contact NSDL via email at evoting@nsdl.co.in or call on toll free no. 1800-222-990.
- IX. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for casting your vote.
- X. You can also update your mobile number and e-mail ID in the user profile details of the Folio, which may be used for sending future communication(s).
- XI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on **3 August 2018**.
- XII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **3 August 2018**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or call on toll free no. 1800-222-990.
- XIII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XIV. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XV. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
- XVI. Manasi Paradkar, Practicing Company Secretary, Pune, (Membership No. FCS 5447 CP No. 4385) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XVII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

- XVIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIX. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.koel.co.in and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

ITEM NO. 3 OF THE NOTICE

Mr. Mahesh R. Chhabria retires by rotation and being eligible offers himself for re-appointment.

He holds 11,552 (0.01%) equity shares in the Company.

Mahesh is a dedicated, focused and accomplished professional with over 30 years of experience in the financial services industry. In these 30 years, he worked with investment banks, private equity funds and also has been an independent director of several companies.

He has been the Managing Director of Kirloskar Industries Limited since July 2017. Prior to this he worked as a Partner with Actis, where he was responsible for advising Actis Global LLP, a leading private equity fund in the emerging market space, to invest their money in growth capital and buy out businesses in India.

Mahesh previously worked at 3i India, where he was a partner in the firm's Growth Capital Group and the lead partner globally for the Healthcare sector, heading up and contributing to 3i investments in India and international markets. Before moving to private equity in 2006, Mahesh was co-head of investment banking at Enam, one of the leading domestic investment banks in India.

He is a regular Speaker at various industry forums and occasionally contributes to some Indian business publications. Mahesh holds a Bachelor of Commerce from the University of Mumbai, and is an Associate Member of the Institute of Chartered Accountants of India.

He is a relationship builder with strong communication and inter personal skills, with an extensive network of contacts, associates and friends at all levels in the financial services sectors, corporates, professional, legal and accounting firms, media and select regulatory bodies. Serves as an independent Director of Deepak Fertilizers & Petrochemicals Corporation Limited and Enam Asset Management Co. Pvt. Ltd.

He is a member of the Audit Committee and Nomination and Remuneration Committee of the Company.

He is a director in the following other companies:

Kirloskar Industries Limited	Deepak Fertilizers and Petrochemicals Corporation Limited*
Kirloskar Proprietary Limited	Kirloskar Ferrous Industries Limited
Enam Asset Management Company Private Limited	Kirloskar AECOM Private Limited
Kirloskar Capital Limited	

*Audit Committee - Member



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

Mr. Mahesh R. Chhabria and his relatives to the extent of their shareholding in the Company, may be deemed to be concerned or interested financially or otherwise in this resolution.

Except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in this resolution.

ITEM NO. 4 OF THE NOTICE

The Board of Directors based on recommendation of Nomination and Remuneration Committee, re-appointed Mr. Rajendra R. Deshpande as the Whole Time Director with designation as the Joint Managing Director of the Company with effect from 29 April 2018 for a term of 2 years, on the terms and remuneration as set out in Item No. 4 of the Notice.

The re-appointment and remuneration payable to Mr. Rajendra R. Deshpande as the Joint Managing Director is also subject to the approval of the members as required by provisions of Section 196 read with Schedule V and other applicable provisions of the Companies Act, 2013.

Rajendra R. Deshpande, who is a Graduate in Mechanical Engineering, joined erstwhile Kirloskar Oil Engines Limited in July 1977. He has worked for the Small, Medium and Large Engines Business Groups of the Company. He started the Ancillary Development Department in the Company. During his tenure as a Business Unit Head, Medium Engines Business Group became the largest Strategic Business Unit amongst the Kirloskar Group. He has also played a vital role in commencement of plant at Kagal. Presently he is working as Joint Managing Director of Kirloskar Oil Engines Limited.

He holds 11,250 (0.01%) equity shares in the Company.

He is a Member of Stakeholders Relationship Committee of the Company.

He is a director in the following other companies:

Swaraj Engines Limited	KOEL Americas Corp. USA
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He is neither a Member nor a Chairman of the Committees in the other Public Limited Companies.

Mr. Rajendra R. Deshpande may be deemed to be concerned or interested, financially or otherwise, to the extent for his shareholding in respect of his re-appointment.

Except above, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in this resolution.

The Board recommends resolution set out in Item no. 4 of the notice for approval of members.

ITEM NO.5 OF THE NOTICE

The Board of Directors on the recommendation of Audit Committee has approved the appointment of M/s. Parkhi Limaye and Co., Cost Accountants to conduct the audit of the cost records of the Company for Financial Year ended 31 March 2019, at the remuneration upto ₹ 7,50,000/- plus applicable taxes thereon and reimbursement of out of pocket expenses on actual basis.



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KIRLOSKAR OIL ENGINES LIMITED

A Kirloskar Group Company

Pursuant to provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

The Board recommends resolution set out in Item no. 5 of the notice for approval and ratification by the members of the Company.

None of the directors and Key Managerial Personnel of the Company are concerned or interested in the resolution.

ITEM NO.6 OF THE NOTICE

The Board of Directors based on recommendation of Nomination and Remuneration Committee, considered waiver of upper age limit of 75 years as specified in the Nomination and Remuneration Policy of the Company for re-appointment of Mr. R. Srinivasan as an Independent Director for a second term of 5 (Five) consecutive years with effect from 12 August 2017.

The members of the Company in its meeting held on 4 August 2017 had by special resolution pursuant to Section 149 (including other applicable provisions if any) of the Companies Act, 2013 and rules made thereunder and SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015, based on recommendation of Nomination and Remuneration Committee and Board of Directors of the Company re-appointed Mr. R. Srinivasan as an Independent Director for a second term of five consecutive years with effect from 12 August 2017.

On 9 May 2018, the Securities and Exchange Board of India notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Listing Regulations, 2018), amending the existing Listing Regulation, 2015.

As per amended Listing Regulation, 2018, which will be effective from 1 April 2019, "No listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person."

Members are hereby informed that Mr. R. Srinivasan, who was re-appointed as a Non-Executive Independent Director by the Members vide special resolution on 4 August 2017, for a second term of five years has attained the age of 76 years.

Mr. R. Srinivasan did his graduation in Mechanical Engineering from the University of Madras. He underwent practical training with Buckau Wolf, Grevenbroich, and later with M/s Krupp Widia, Essen, West Germany.

He has served Widia, an Indo-German Joint Venture Limited initially as a Works Manager and later as its Managing Director till 1994. He is the past Chairman of CII, Karnataka and Governing Council of CMTI, Bangalore. He is the Past President of Greater Mysore Chamber of Commerce and Indian Machine Tool Manufacturers Association.

He holds 3,750 (0.00 %) equity shares in the Company.



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He is Chairman of the Audit Committee of the Company.

He is a director in the following other companies:

ACE Designers Limited #	Sundaram Fasteners Limited #
Murugappa Morgan Thermal Ceramics Limited #	TaeguTec India Private Limited
TTK Prestige Limited *	IMTMA Machine Tool Industry Park
Sterling Abrasives Limited	Indian Machine Tool Manufactures Association
Yuken India Limited *	

Audit Committee – Chairman

* Audit Committee - Member

The Company has received a declaration from Mr. R. Srinivasan, that he meets with the criteria of independence as specified in the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 including amendments thereof and SEBI (Listing Obligations and Disclosure Regulations) 2015.

Mr. R. Srinivasan is associated with Kirloskar Oil Engines Limited for over 13 years (including pre and post demerger period) as a Board Member. He made significant contribution towards guiding the Company on various strategic, financial and business issues and that the Company benefited immensely because of his vast experience.

In view of the aforesaid amendment to SEBI LODR Regulations, based on recommendation of the Board of Directors, it is proposed to seek approval of the Members vide special resolution at the ensuing Annual General Meeting, for the continuance of Mr. R. Srinivasan who has attained the age of 76 years, as an Independent Director of the Company, after 1 April 2019 upto the expiry of his present second term on 11 August 2022. This continuation should not be treated as an extension of his present second term of appointment.

The resolution set out at Item no. 6 of the Notice requires approval of the members by passing special resolution.

Except Mr. R. Srinivasan, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in this resolution.

By Order of the Board of Directors

Sd/-

Smita Raichurkar
Company Secretary

Place: Pune

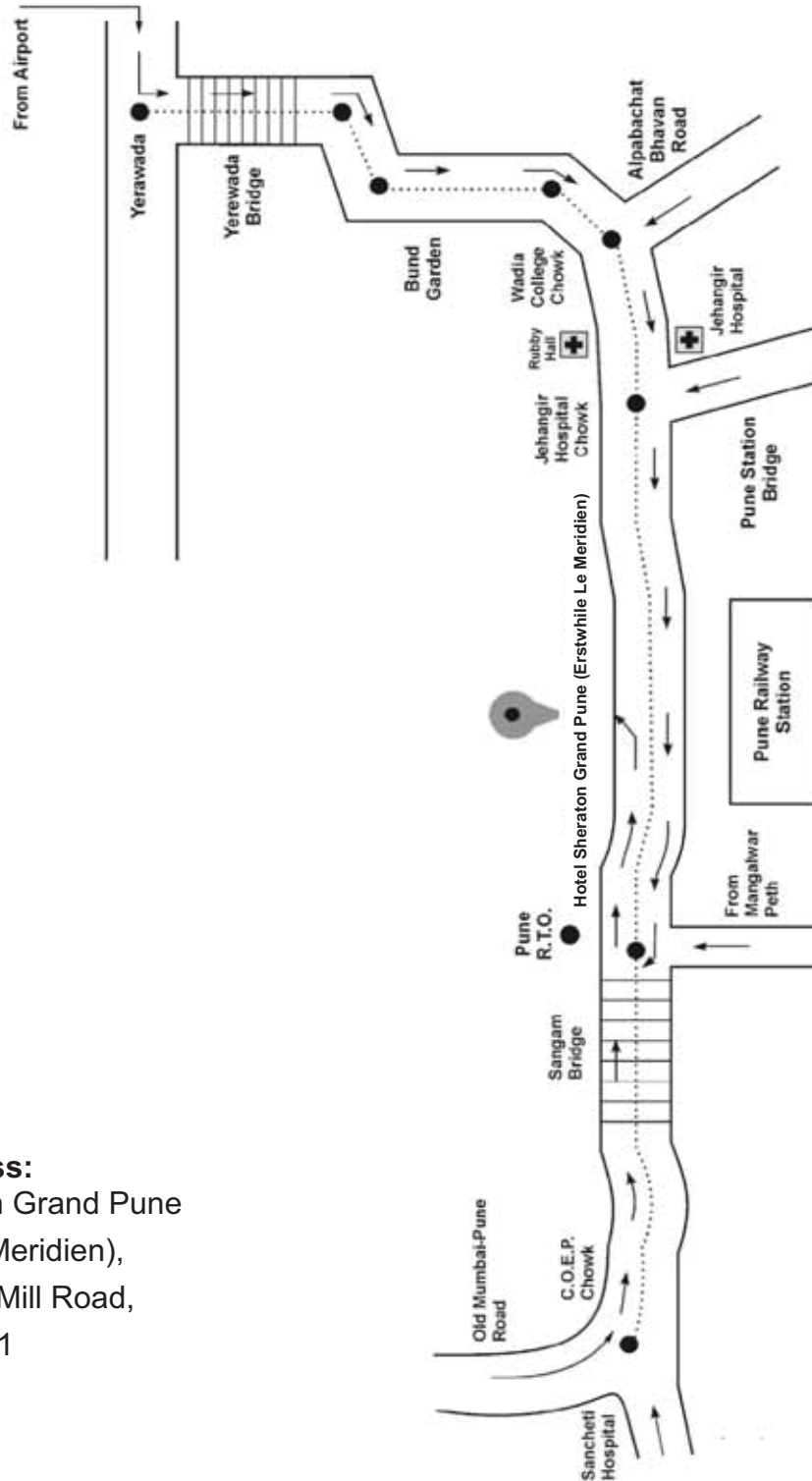
Date: 18 May 2018



KIRLOSKAR OIL ENGINES LIMITED
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ROUTE MAP OF VENUE OF ANNUAL GENERAL MEETING



Venue Address:
Hotel Sheraton Grand Pune
(Erstwhile Le Meridien),
Raja Bahadur Mill Road,
Pune – 411 001