

## NOTICE OF 73<sup>RD</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the **SEVENTY THIRD ANNUAL GENERAL MEETING ("AGM")** of the members of **KIRLOSKAR ELECTRIC COMPANY LIMITED** will be held on Wednesday, 30<sup>th</sup> day of September, 2020 at 10.00 A.M through Video Conferencing / Other Audio Visual Means to transact the following businesses:

### ORDINARY BUSINESS

1. (a) To receive, consider and adopt the audited financial statement of the Company for the year ended March 31, 2020 together with the reports of the Board of Directors and auditor's thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass the following resolutions as **Ordinary Resolutions**:

(a) **"RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditor's thereon, as circulated to the members be and are hereby considered and adopted."

(b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of the Auditor's thereon, as circulated to the members, be and hereby considered and adopted."

2. To appoint Mrs. Meena Kirloskar (DIN: 00286774) who retires by rotation as a Director and in this regard, to consider and, if thought fit, to pass the following resolution as a 'Ordinary Resolution':

**"RESOLVED THAT** in accordance with the provisions of section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Meena Kirloskar (DIN: 00286774), who retires by rotation at this meeting be and is hereby appointed as Director of the Company."

### SPECIAL BUSINESS

3. To appoint M/s. Sundar and Associates (AF no. 1172), Chartered Accountants, Malaysia as auditor of the sales office and to consider and, if thought fit, to pass the following resolution as a 'Ordinary Resolution':

**"RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Sundar and Associates (AF no. 1172), Chartered Accountants, Malaysia, the retiring auditor of the Company's sales office at Kuala Lumpur, Malaysia are hereby appointed as Auditor of the sales office, to hold the office from the conclusion of this annual general meeting until the conclusion of next annual general meeting of the Company and, at such remuneration as shall be fixed by the Board of Directors of the Company."

4. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2020 and to consider and, if thought fit, to pass the following resolution as a 'Ordinary Resolution':

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Rao, Murthy & Associates (Firm regn no. 000065), Cost Accountants, were appointed by the Board of Directors on the recommendation of the Audit Committee of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020, be paid the remuneration as set out in the Statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary of the Company be and are hereby authorized to perform all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To appoint Mr. Ravi Ghai (DIN: 08715119) as Nominee Director and 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 provisions of Section 161(1) & (3) of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Articles of Association of the Company, Mr. Ravi Ghai (DIN: 08715119) who was appointed as Nominee Director, nominated by Asset Reconstruction Company Limited (ARCIL) as their representative, at the meeting of the Board of Directors of the Company held on June 27, 2020 and in respect of whom a notice has been received from the member in writing, under section 160 of the Companies Act, 2013 proposing his candidature for the office of director be and is hereby appointed as the Nominee Director of the Company, not liable to retire by rotation."

6. To reappoint Dr. Ashok Misra (DIN: 00006051) as independent director for the second term of five consecutive years and to consider and, if thought fit, to pass the following resolution as a 'Special Resolution':

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time and the applicable provisions of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Ashok Misra (DIN: 00006051), Independent Director, who was appointed as Independent Director at the sixty ninth annual general meeting of the Company and who holds office up to November 04, 2020 and who is eligible for re-appointment and who meets the criteria of Independence as provided in section 149(6) of the Act along with rules framed thereunder and Regulations 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to the effect and in respect of whom the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second consecutive term of five (05) consecutive years on the Board of Directors of the Company upto November 04, 2025

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations"), other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder including any statutory modification(s) or re-enactment thereof and subject to such other approvals as may be necessary in this regard, consent of the members of the Company be and is hereby accorded to continue the directorship of Dr. Ashok Misra (DIN: 00006051) as the Independent Director of the Company, who will attain the age of 75 years on during the second consecutive term of five (5) consecutive years, till the expiry of his second term."

7. **To reappoint Mr. Vijay R Kirloskar (DIN: 00031253) as Executive Chairman of the Company for a term of three years and to consider and, if thought fit, to pass the following resolution as a 'Special Resolution':**

**"RESOLVED THAT** in terms of the provisions of Sections 196, 197, 198, 200 and other applicable provisions, if any, of the Companies Act, 2013, rules framed thereunder and Schedule V, as amended from time to time, and subject to the approval of Central Government, if required, the consent of the Company be and is hereby accorded to the reappoint Mr. Vijay Ravindra Kirloskar (DIN: 00031253), as Executive Chairman of the Company for a period of three (3) years effective from August 12, 2020 on the remuneration as set out below:

- (a) **Salary:** ₹ 26,160,000/- (Rupees Two Crores Sixty One Lakhs Sixty Thousand only) per annum.

- (b) **Perquisites and allowances:**

The Chairman shall be entitled to perquisites and allowances like rent free accommodation

(including maintenance fee) or house rent allowance in lieu thereof, special allowances, car allowance, performance incentive, reimbursement of water expenses, gas and electricity bills at residence and medical expenses for self and his family including dependents and all other payments in the nature of perquisites and allowances subject to the overall limit of his salary which shall also include premium payable towards medi-claim and personal accident insurance as per the policies of the Company.

**Explanation**

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the provisions of the Companies Act, 2013, Rules made thereunder and as per the provisions of the Income tax Act, 1961 and Rules made thereunder. In the absence of any such rule, perquisites shall be evaluated at actual cost.

"Family" here means the spouse, dependent children of the Executive Chairman.

Use of Company's car for official purposes and telephone at residence and cell phone (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

Apart from the re-imbursement of ordinary medical expenses, in case of hospitalization of the Executive Chairman, the Company shall reimburse the actual expenses incurred by him including expenses incurred by him on travel and treatment abroad, notwithstanding that the total will exceed the limit.

Contribution to Provident Fund and to Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

Gratuity payable as per the Rules of the Company and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites to the extent the same are not taxable under the Income Tax Act.

The Chairman shall be entitled to reimbursement of all expenses incurred by him in connection with the business of the Company.

**RESOLVED FURTHER THAT** pursuant to Section 197 and all other applicable provisions of the Companies Act, 2013, where in any financial year during the currency of tenure of the appointment, the company has losses or its profits are inadequate, remuneration of ₹ 26,160,000/- (Rupees Two Crores Sixty One

Lakhs Sixty Thousand only) per annum or such higher remuneration, as may be permitted according to the schedule V to the Companies Act, 2013 be paid to Mr. Vijay R Kirloskar as minimum remuneration.

**RESOLVED FURTHER THAT** any director of the Company and the Company Secretary of the Company be and hereby are severally authorised to do the necessary acts and deeds, necessary for filing requisite e-forms with the appropriate authority within such time and period as prescribed.”

8. **To appoint Mr. Sanjeev Kumar Shivappa (DIN: 08673340) as Director (Finance) & Chief Financial Officer of the Company and to consider and, if thought fit, to pass the following resolution as a ‘Special Resolution’:**

**“RESOLVED THAT** pursuant to the provisions of Section 161(1), 196, 197, 198, and other applicable provisions, if any of the Companies Act, 2013, rules framed thereunder and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendations of the Nomination and Remuneration Committee, approval of the members be and is hereby accorded to appoint Mr. Sanjeev Kumar Shivappa (DIN: 08673340) as a Whole-time Director of the Company designated as Director (Finance) & Chief Financial Officer of the Company, who is liable to retire by rotation, for a period of 3 (Three) years with effect from February 14, 2020 on the terms and conditions including remuneration as set out below with the power to the Board of Directors to alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof:

**a. Salary:**

₹ 583,500/- (Rupees Five Lakhs Eighty Three Thousand Five Hundred) per annum.

**b. Perquisites and Allowances:**

Mr. Sanjeev Kumar Shivappa shall be entitled to perquisites and allowances like rent free accommodation (including maintenance fee) or house rent allowance in lieu thereof, special allowances, car allowance, re-imbursement of water expenses, gas and electricity bills at residence and medical expenses for self and his family including dependents and all other payments in the nature of perquisites and allowances as agreed by the Board of Directors subject to ceiling of ₹ 2,232,000/- (Rupees Twenty Two Lakhs Thirty Two Thousand) which shall also include premium payable towards

medi-claim and personal accident insurance as per the policies of the Company.

**Explanation**

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the provisions of the Companies Act, 2013, Rules made thereunder and as per the provisions of the Income tax Act, 1961 and Rules made thereunder. In the absence of any such rule, perquisites shall be evaluated at actual cost.

“Family” here means the spouse, the dependent children of the Mr. Sanjeev Kumar Shivappa.

Apart from the re-imbursement of ordinary medical expenses, in case of hospitalization of the Mr. Sanjeev Kumar Shivappa, the Board of Directors shall have the discretion to reimburse the actual expenses incurred by him including on travel, notwithstanding that the total perquisites will exceed the limit of ₹ 2,232,000/- (Rupees Twenty Two Lakh Thirty Two Thousand) per annum in any financial year.

Mr. Sanjeev Kumar Shivappa shall be entitled to reimbursement of all expenses incurred by him in connection with the business of the Company.

**c. Variable Pay:**

Upto ₹ 1,000,000/- (Rupees Ten Lakhs only) per annum as may be decided by the Board of Directors of the Company based on the performance of Mr. Sanjeev Kumar Shivappa.

**RESOLVED FURTHER THAT** Mr. Sanjeev Kumar Shivappa (DIN: 08673340) shall continue to hold the position of Chief Financial Officer of the Company in addition to the position of Director (Finance) and shall act as a Key Managerial Personal as per section 203 of the Companies Act, 2013;

**RESOLVED FURTHER THAT** any director of the Company and the Company Secretary of the Company be and hereby are severally authorised to do the necessary acts and deeds, necessary for filing requisite e-forms with the appropriate authority within such time and period as prescribed.”

By the order of the Board of Directors  
For Kirloskar Electric Company Limited

K S Swapna Latha

Place: Bengaluru  
Date: August 25, 2020

Sr. General Manager (Legal) &  
Company Secretary



**NOTES:**

- (a) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 (collectively referred to as "MCA Circulars"), which permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- (b) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Businesses is annexed hereto. All the Special Businesses are considered to be unavoidable by the Board of Directors of the Company.
- (c) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as e-voting at the time of conducting AGM through video conferencing (VC) or other audio visual means (OAVM) will be provided by CDSL.
- (d) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- (e) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (f) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- (g) **Process for those shareholders whose email ids are not registered:**
- I. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhaar Card) by email to **Company/RTA email id**.
  - II. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to **Company/RTA email id**.
- (h) For the purpose of AGM, the share transfer books and Register of Members of the Company will remain closed from Thursday, September 24, 2020 to Wednesday, September 30, 2020 (both the days inclusive).
- (i) Documents relating to any of the items mentioned in the Notice and the Explanatory Statement thereto are open for inspection at the registered office of the Company on any working day during the business hours of the Company.
- (j) Members requiring information on the accounts and operations of the Company are requested to write to as to reach the Company at least seven days before the date of the AGM to enable the management to keep the information ready.
- (k) Members holding share(s) either singly or jointly in identical order in more than one folio are requested to write to the Company enclosing the share certificates to enable the Company to consolidate their holdings in one folio.
- (l) Members holding shares in physical form are requested to notify any change of their addresses timely to the Company's Registrar and Share Transfer Agent ("RTA"), i.e., M/s. Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road Malleswaram, Bengaluru – 560003. Members holding shares in the electronic form are advised to notify any change in their address to the concerned depository participants.
- (m) Members desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form No SH.13 duly completed to the secretarial department of the Company or M/s. Integrated Registry Management Services Private Limited.
- (n) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in 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.

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- (o) Pursuant to Circular Nos. 14/2020, 17/2020 & 20/2020 dated April 08, 2020, April 13, 2020 & May 05, 2020 respectively issued by Ministry of Corporate Affairs and Circular SEBI/HO/CFD/CMDI/CIR/P/2020/79 dated May 12, 2020 issued by SEBI, the 73rd AGM of the Company will be held VC/OAVM. Electronic copy of the Annual Report for the year ended March 31, 2020 and Notice of the AGM are being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes. A copy of the notice of the AGM and annual report are also available for download from the website of the Company at [www.kirloskarelectric.com](http://www.kirloskarelectric.com). Any member may request hard copy of the Annual Report by writing to the Company.
- (p) Voting through electronic means in compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has provided a facility to its members to exercise their votes electronically through e-voting service arranged through Central Depository Services (India) Limited ("CDSL"). The facility to cast votes through e-voting will also be made available during the AGM and members attending the AGM through Video Conference, but who have not cast/ exercised their rights to vote by remote voting shall be able to exercise their right to vote through e-voting during the AGM. Members who have cast their votes through remote voting prior to the AGM may attend the AGM through Video Conference but shall not be entitled to cast their votes again during the AGM. The instructions for remote voting are provided herein.

Mr. Karthick V, Practicing Company Secretary (ACS No.11910 / PCS No. 4680), has been appointed as scrutinizer the purpose of scrutinizing the remote e-voting and e-voting process in a fair and transparent manner.

(q) **Procedures for e-voting are as under:**

- (i) The voting period will begin on Saturday, September 26, 2020 (from 9.00 A.M) and will end on Tuesday, September 29, 2020 (at 5.00 P.M). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The cut-off date for e-voting facility is Wednesday, September 23, 2020 and members whose names appear in the register of members shall be entitled to avail the service. Any person who becomes a member of the Company after of the notice of the AGM and holding shares as on the cut-off date is requested to contact Company's RTA to get the details relating to his/her user-id and password. Members may call the RTA through telephone number +91-80-23460815-818 or send an email request to [irg@integratedindia.in](mailto:irg@integratedindia.in).
- (iii) Members who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iv) The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (v) Click on "Shareholders / Members" tab.
- (vi) 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.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) 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.
- (ix) If you are a first time user follow the steps given below:

	For Members holding shares in DEMAT Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both DEMAT members as well as physical members) <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 last 8 digits of the DEMAT account folio number in the PAN Field.</li> <li>In case the folio 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. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.</li> </ul>
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.

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) 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.

- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (xiii) Click on the EVSN of KIRLOSKAR ELECTRIC COMPANY LIMITED on which you choose to vote.
  - (xiv) 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.
  - (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xvi) 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.
  - (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xviii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xix) 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.
  - (xx) Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xxi) Note for Institutional Members(Non Individual and Custodians)
    - Institutional members (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
    - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
  - (xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xxiii) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website [www.kirloskarelectric.com](http://www.kirloskarelectric.com) and on the website of CDSL within Forty Eight hours of the conclusion of AGM. The results will also be communicated to the stock exchanges where the shares of the Company are listed.
- (r) **The instructions for shareholders voting on the day of the AGM on e-voting system are as under: -**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
  2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
  3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
  4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote again during the AGM.
- (s) **Instructions for members for attending the AGM through VC/OAVM are as under:**
1. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
  2. Members are encouraged to join the Meeting through Laptops for better experience.
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3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request **7 days prior to meeting** mentioning their name, DEMAT account number/folio number, email id, mobile number at (company email id).
  6. Shareholders who would like to express their views/have questions may send their questions in advance **7 days prior to meeting** mentioning their name demat account number/folio number, email id, mobile number at [investors@kirloskarelectric.com](mailto:investors@kirloskarelectric.com). The same will be replied by the Company suitably.
  7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (t) Information about directors seeking appointment / reappointment given in the **annexure** appended hereto and forms part of this report.

### Contact Details: Quick reference for members

Company	<b>Kirloskar Electric Company Limited</b>
Registered Office	No. 19, 2 <sup>nd</sup> Main Road, Peenya 1 <sup>st</sup> stage, Phase-I, Peenya, Bengaluru – 560058 CIN: L31100KA1946PLC000415; Email: <a href="mailto:investors@kirloskarelectric.com">investors@kirloskarelectric.com</a> Website: <a href="http://www.kirloskarelectric.com">www.kirloskarelectric.com</a> Tel No.: 080-28397256; Fax: 080-28396727
Registrar and Transfer Agent :	M/s. Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road Malleswaram, Bengaluru – 560003 CIN: U74900TN2015PTC101466 Email: <a href="mailto:irg@integratedindia.in">irg@integratedindia.in</a> Tel: 080-23460815-818; Fax: 080-23460819
e-Voting Agency	Central Depository Services (India) Limited E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Phone: 022- 22723333 / 8588
Scrutinizer	Mr. Karthick V, Practising Company Secretary. E-mail ID: <a href="mailto:csvkart@gmail.com">csvkart@gmail.com</a>

By the order of the Board of Directors  
For **Kirloskar Electric Company Limited**

K S Swapna Latha  
**Sr. General Manager (Legal) & Company Secretary**

Place: Bengaluru

Date: August 25, 2020

**The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business is annexed hereto.**

### Item No. 3:

The Company is having a branch office at Malaysia and M/s. Sundar and Associates (AF no. 1172), Chartered Accountants, Malaysia were appointed as Branch Auditor to hold the office upto the conclusion of this Annual General Meeting of the Company. Being eligible for reappointment, the approval is sought from the members to reappoint the branch auditor of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company.

The members are further requested to authorize the Board of Directors of the Company to fix their remuneration.



None of the Directors or Key Managerial Person (KMP) or relatives of Directors and KMP, are in any way concerned with or interested, financially or otherwise, in the resolution at item no. 3 of the accompanying notice. The Board recommends the resolution at Item No. 3 to be passed as an ordinary resolution.

**Item No. 4:**

The Board on the recommendation of the Audit Committee had approved the appointment of M/s. Rao, Murthy. Cost Auditors at remuneration of ₹ 4,50,000/- (Rupees Four lakhs fifty thousand only) to conduct the audit of the cost records of the Company for the financial year ended March 31, 2020. In accordance with the provisions of the Sec 148 of the Act read with the Companies (Audit & Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

None of the Directors or Key Managerial Person (KMP) or relatives of Directors and KMP, are in any way concerned with or interested, financially or otherwise, in the resolution at item no. 4 of the accompanying notice.

The Board recommends the resolution at Item No. 4 to be passed as an ordinary resolution.

**Item No. 5**

The Board of Directors of the Company ('the Board') at the meeting held on June 27, 2020, on the recommendation of the Nomination & Remuneration Committee ('the Committee'), appointed Mr. Ravi Ghai (DIN: 08715119) as Nominee Director of the Company, representative of the Asset Reconstruction Company (India) Limited ("ARCIL"), not liable to retire by rotation. Requisite notice under Section 160 of the Act proposing the appointment of Mr. Ravi Ghai has been received by the Company, and consent has been filed by Mr. Ravi Ghai pursuant to Section 152 of the Companies Act 2013. Brief resume, nature of his expertise in specific functional areas, names of companies in which Mr. Ravi Ghai holds directorships, memberships, chairmanships of Board Committees, his shareholding in the company and relationships amongst directors' inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided below in the notice..

Mr. Ravi Ghai is member of the audit committee, however he does not hold any directorship in any of the Companies and does not hold any share in the Company, either in his individual capacity or on a beneficial basis for any other person. Mr. Ravi Ghai is a retired bank executive with over three decades of experience in banking, risk compliance and credit appraisal.

For the purpose of Item no. 5, except Mr. Ravi Ghai, being appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is / are concerned or interested, financially or otherwise, in the resolution set out at item no. 5.

The Board recommends the resolution at Item no. 5 to be passed as an ordinary resolution.

This Explanatory Statement may also be regarded as an appropriate disclosure in Annexure under the Listing Regulations.

**Item No. 6**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 69th Annual General Meeting of the Company held on 26th September, 2016, Dr. Ashok Misra (DIN: 00006051) was appointed as an Independent Directors of the Company for a period of 5 (five) years who will complete his initial term of 5 years on 04th November, 2020 and is eligible for reappointment for second consecutive term for five consecutive years.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect". Therefore the above Independent Directors except Dr. Ashok Misra will attain the age of 75 years and hence continuation beyond 75 years requires the approval of members by way of a special resolution.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has accorded its approval at the meeting held on June 27, 2020 subject to the approval of members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on their skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by the independent director during his tenure and outcome of performance evaluation of the Independent Director, the approval of the members of the Company sought for reappointment of Dr. Ashok Misra (DIN: 00006051), for the second consecutive term of 5 (five) consecutive years and continuation of such appointment for 5 years even after attaining the age of 75 years or who will attain the age of 75 years in due course. Further the independent directors shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has also received declarations from the above said Independent Director and consent(s) in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 confirming



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the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations. The Director is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, the director fulfils the conditions specified in the Companies Act, 2013 and are independent of the management.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that the Independent Director continued association would be of immense benefit to the Company and it is desirable to continue to avail their services. Accordingly, the consent of the members is sought for passing Special Resolution as set out in items of the Notice for reappointment of Independent Director of the Company.

The terms and conditions of reappointment of above Independent Director shall be open for inspection by the members of the Company at the registered office of the Company during normal business hours from 09.00 A.M to 05.00 P.M on any working day.

For the purpose of Item no. 6, except Dr. Ashok Misra, being appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is / are concerned or interested, financially or otherwise, in the resolution set out at item no. 6.

The brief profile(s) of the Independent Director to be reappointed are given elsewhere in the annual report. This Explanatory Statement may also be regarded as an appropriate disclosure in Annexure under the Listing Regulations.

### **Item No. 7:**

Mr. Vijay Ravindra Kirloskar was appointed as Executive Chairman of the Company for a period of three (3) years effective from August 12, 2017. The term of three years expired on the close of the office hours on August 11, 2020. The Board of Directors at its meeting on June 27, 2020 has, subject to the approval of the members of the Company, reappointed Mr. Vijay Ravindra Kirloskar as the Executive Chairman of the Company for a period of three years effective from August 12, 2020.

Brief resume, nature of expertise in specific functional areas, names of companies in which Mr. Vijay Ravindra Kirloskar holds directorships, his memberships / chairmanships of Board committees, his shareholding in the Company and relationships amongst directors inter-se as stipulated under Companies Act, 2013 & SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, are provided in the annexure to the notice.

The terms of the appointment of Mr. Vijay Ravindra Kirloskar are contained in the agreement dated August 12, 2020 executed with the Company. The same is available for inspection at the registered office of the Company.

### **Disclosures as per schedule V to the Companies Act, 2013**

#### **I. General information:**

##### **1) Nature of industry:**

Kirloskar Electric Company Limited (Kirloskar Electric) was incorporated on 26th July, 1946. Kirloskar Electric, the Company, is engaged in the manufacture of various electrical equipments such as motors, alternators and generators, transformers, DG sets and etc.,

The Company has different product groups such as transformer and distribution group, large machine group, low voltage machine group, power generation group. Each product group is having different products within its broad range. The Company supplies to the core economic sectors such as power generation, transmission and distribution, transportation, sugar, cement, renewable energy and many key sectors. The Company is having manufacturing facilities across India with wide network of Dealers, Sales offices across India and abroad having authorised service providers and subsidiaries across India and abroad. Thus the Company has business operations spread across and at multiple locations.

The Company is having a large network of spare parts dealers and service centres. This enables the Company to provide premium products, exemplary systems and timely services at competitive rates to the customers. Products are known for their high quality, durability and reliability. The Company adheres to international standards by acquiring and adopting latest technologies along with in-house R&D.

The Company's products are having good demand in domestic and overseas markets. As a renowned Company, it provides elite products and strives to fulfil the expectations of industries and clients spread across the world.

Kirloskar Electric Company is one of the leading Company in India which manufactures and supplies motors which are used in electric vehicles. The Company provides tailor made customized electrical equipments to its customers. The major Companies, PSUS and EPCS are valued customers. The Company has overseas customers also.

2) Date of commencement of commercial production:

July 26, 1946

3) Financial performance based on given indicators:

(₹ In Lakhs)

PARTICULARS	Standalone	
	2019-20	2018-19
Revenue from operations	31,441	29,442
Other income (Net)	428	6,217
Total Income	31,869	35,659
Total Expense	40,939	37,522
Profit / (Loss) before tax	(8,599)	(1,863)
Tax Expense	-	-
Profit / (Loss) after tax	(8,599)	(1,863)
Total other comprehensive income	(112)	(4,870)
Total comprehensive income for the period	(8,711)	(6,733)

4) Foreign investments or collaborations, if any:

The Company has investments in the following companies abroad:

- Kirloskar (Malaysia) SDN BHD ₹ 5.29 lakhs for 300,000 shares
- Kirsons Trading Pte Ltd ₹ 11.20 lakhs for 56,250 shares

## II. Information about the appointee:

(1) Background details, recognition or awards, job profile and his suitability:

Mr. Vijay Ravindra Kirloskar has completed MS in Management Science and Engineering from Worcester Polytechnic Institute, Worcester, MA, USA. He joined the services of the Company in the year 1978 as Manager-Production. Later on in the year 1982 he was appointed as President. He was appointed as Managing Director of the Company w.e.f 17th August, 1985. He was the Chairman of the Kirloskar Group during the period 1994 to 1998. The Group and the Company showed considerable growth under his stewardship. He has held various important positions in the industry. He was the Vice President of CII for the year 1998.

His education and experience makes him suitable to the office. He is in-charge of the overall management of the Company. Mr. Vijay Ravindra Kirloskar is having a wide contact with the industries peers, which is resulting in availing ample number of opportunities like new customers, significant order booking and contacts, technology and many more.

Mr. Vijay Ravindra Kirloskar, being the promoter and experienced senior managerial personnel of the Company is playing a major role in the conduct of the overall business operations of the Company. The compensation package, which the Company has proposed is lower compared to the salaries offered to managerial personnel within the comparable industries.

(2) Past remuneration

Mr. Vijay Ravindra Kirloskar was paid total remuneration of ₹ 8,400,000/-, ₹ 16,800,000/- and ₹16,800,000/- during the financial year 2016-17, 2017-18 and 2018-19 respectively.

(3) Remuneration proposed

Annual remuneration to the Executive Chairman is proposed in the resolution under item no. 7 in the notice of the Annual General Meeting:

(4) Comparative remuneration profile with respect to industry, size of the Company and profile of the position.

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The details of the turnover and the remuneration paid in other comparable similar Industries are as shown in the table given below:

(₹ in Lakhs)

SI No.	Name of the company	Turnover	Remuneration
1	TD Power Systems Limited (2018-19)	44,508.69	195.28
2	Voltamp Transformers Limited (2019-20)	85,857.57	821.78
3	Crompton Greaves Consumer Electricals Ltd (2018-19)	447,891.00	750.00
4	Kirloskar Oil Engines Ltd (2019-20)	287,748.00	1,500.00

- (5) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Except for Mr. Vijay Ravindra Kirloskar being the appointee and Mrs. Meena Kirloskar, none of the directors or key managerial personnel (KMP) or relatives of directors and KMP is concerned or interested in the resolution set forth under item no. 7 of the accompanying notice.

### III. Other information:

- (1) Reasons of loss or inadequate profits:

Lloyd Dynamowerke GmbH & Co.KG (LDW) is a step down subsidiary of the Company set up in Germany. LDW was facing serious financial and operational challenges since the financial year 2011-12 after the economic slowdown in Europe. The Company infused capital from time to time and in the process its Balance Sheet exposure in the form of investment in LDW increased substantially upto ₹ 224.47 crores. LDW recorded huge losses in the year 2012-13 and 2013-14 and ultimately filed for insolvency in a German court of law. As a result of the investment in LDW, KEC experienced gradually incremental severe shortage of working capital, which led to a low capacity utilization and thereby resulting into losses for the last two financial years.

After the administrator was appointed to liquidate LDW, KEC lost total control over LDW and hence the investment was substantially impaired in the year 2014-15.

Accumulation of operating losses continued weak business environment and funding of LDW together affected Company's operation. In order to address the whole issue, during the year 2014-15 the Company drew up a financial reorganization planning consultation with financial lenders (lenders). The lenders formed a Joint Lenders Forum (JLF) and corrective action plan was drawn up in mutual consultation with JLF members and Company. The Company has already implemented the reorganization of the Company. The promoters have infused funds in equity to shore up its working capital.

Since then the Company has taken several initiatives to increase its profitability and to explore new opportunities of achieving cost reduction and price competitiveness. Mr. Vijay Ravindra Kirloskar is actively involved in this reorganization. Infusion of substantial funds in the Company corroborates his commitment to the Company. His varied experience and exposure has come very handy to the business in these difficult times.

Under the guidance of Mr. Kirloskar, the Company is working on various measures to turnaround the Company to a profit making Company. It is confident of earning profits in the coming future years.

- (2) Steps taken or proposed to be taken for improvement:

The Company has already taken measures for improving its working capital, such as cutting costs at all levels; strengthening and reorganization of manpower, product development, improving working capital management etc. All of the above measures have steadily helped the Company to improve its performance.

- (3) Expected increase in productivity and profit in measurable terms:

With the above, the Company expects to improve the productivity and margin also.

### IV. Disclosures:

Applicable disclosures required under Section II of part II, schedule V to the Companies Act, 2013 are mentioned in the Board's report attached to this annual report.

Further, the effective capital of the Company is negative and as required under Section II of part II, schedule V to the Companies Act, 2013, the approval of members of the Company is sought by way of special resolution.

The Board recommends the resolution set forth under item no. 7 of the accompanying notice for approval of the members.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

### Item No. 8:

The Board of Directors on the recommendation of the Nomination and Remuneration committee has, subject to the approval of members, appointed Mr. Sanjeev Kumar Shivappa (DIN : 08673340) in capacity of Executive Director (Finance) & Chief Financial Officer of the company for a period of three (3) years effective from February 14, 2020. Hence, it is proposed to seek member's

approval to the appointment and payment of remuneration to Mr. Sanjeev Kumar Shivappa as Director (Finance) & Chief Financial Officer. Broad particulars of terms of appointment and remuneration payable to Mr. Sanjeev Kumar Shivappa are mentioned in the resolution. The total remuneration proposed to Mr. Sanjeev Kumar Shivappa is ₹ 4,000,000/- per annum (including all salary, perquisites, variable pay based on performances and other statutory benefits) which is within the limits specified in schedule V to the Companies Act, 2013.

Brief resume, nature of his expertise in specific functional areas, names of companies in which Mr. Sanjeev Kumar Shivappa holds directorships, memberships, chairmanships of Board Committees, his shareholding in the company and relationships amongst directors' inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided below in the notice.

The terms of the appointment are contained in the agreement dated February 17, 2020 executed between the Company and the Director. The same is available for inspection at the registered office of the company.

Except Mr. Sanjeev Kumar Shivappa, none of the directors or key managerial personnel (KMP) or relatives of directors and KMP is concerned or interested in the resolution at item no. 8 of the notice.

The Board recommends the resolution no. 8 for approval by the members.

#### Disclosures as per schedule V of the Companies Act, 2013

##### I. General information: [Please refer to the disclosure under Item no.7 (I)]

Mr. Sanjeev Kumar Shivappa is a graduate in Commerce and Masters in Business Administration (MBA) in finance from Bangalore University. He has about 35 years of post qualification experience and has worked extensively in the areas of finance. He has handled the finance department for more than 27 years. He was promoted to Assistant Vice President - Finance and Chief Financial Officer of the Company with effect from August 10, 2017. Prior to his joining in the Company, he had worked with Companies like Karnataka Oil Seeds Growers Federation Limited, Bengaluru, ROGCSU Limited etc.,

The compensation package, which the company has proposed is lower compared to the salaries offered to managerial personnel within the comparable industries.

##### II. Information about the appointee:

###### (1) Past remuneration:

Details of remuneration drawn by Mr. Sanjeev Kumar Shivappa for past three years:

(Amount in ₹)

Year	Salary	Perquisites & Allowances	Total Remuneration
2017-18	1,419,000	30,510	1,449,509
2018-19	2,307,424	54,190	2,361,614
2019-20	2,477,881	59,090	2,536,971

###### (2) Remuneration proposed:

Proposed annual remuneration to the Director:

Sl. No	Particulars	Amount (₹)
1	Salary	583,500
2	Perquisites and allowances	2,232,000
3	Variable Pay	10,00,000
4	Others	184,500
	<b>Total</b>	<b>4,000,000</b>

###### (3) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The details of the turnover and the remuneration paid in other comparable similar Industries are as shown in the table given below:

(₹ in Lakhs)

Sl No.	Name of the company	Turnover	Remuneration
1	TD Power Systems Limited (2018-19)	44,508.69	195.28
2	Voltamp Transformers Limited (2019-20)	85,857.57	821.78
3	Crompton Greaves Consumer Electricals Ltd (2018-19)	447,891.00	750.00
4	Kirloskar Oil Engines Ltd (2019-20)	287,748.00	1,500.00



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(4) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Except Mr. Sanjeev Kumar Shivappa, none of the directors or key managerial personnel (KMP) or relatives of directors and KMP is concerned or interested in the resolution at item no. 8 of the notice.

### III. Other information: [Refer disclosure under Item no.7 (III)]

#### I. Disclosures:

Disclosures as required under Section II of part II, schedule V to the Companies Act, 2013 are mentioned in the Board's report attached to the annual report.

Further, the effective capital of the Company is negative and as required under Section II of part II, schedule V to the Companies Act, 2013, the approval of members of the company is sought by way of special resolution.

The Board recommends the resolution set forth under item no. 8 of the accompanying notice for approval of the members.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

This Explanatory Statement may also be regarded as an appropriate disclosure in Annexure under the Listing Regulations.

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### Information about directors seeking appointment / reappointment

Annexure-1

Name of director	Mrs. Meena Kirloskar
Age	65 years
Date of appointment	31-07-2009
Relationship with other directors / KMP	Ms. Meena Kirloskar is spouse of Mr. Vijay Ravindra Kirloskar, Executive Chairman of the Company.
Qualification & experience	Mrs. Meena Kirloskar has more than two decades of experience in the field of business management and has been with your Company since 2009.
Directorship in other listed companies	NIL
Shareholding in the Company	184,514 Equity Shares
Chairperson of committees	Nil
Member of committees	a. Nomination and Remuneration Committee. b. Executive Committee

Name of director	Mr. Vijay Ravindra Kirloskar
Age	69 years
Date of appointment	12-08-2014
Relationship with other directors / KMP	Mr. Vijay Ravindra Kirloskar is spouse of Mrs. Meena Kirloskar, Non-Executive Director of the Company.
Qualification & experience	Mr. Vijay Ravindra Kirloskar has completed MS in Management Science and Engineering from Worcester Polytechnic Institute, Worcester, MA, USA. He joined the services of the Company in the year 1978 as Manager-Production. Later on in the year 1982 he was appointed as President. He was appointed as Managing Director of the Company w.e.f. 17th August, 1985. He was the Chairman of the Kirloskar Group during the period 1994 to 1998. The Group and the Company showed considerable growth under his stewardship. He has held various important positions in the industry. He was the Vice President of CII for the year 1998.
	His education and experience makes him suitable to the office. He is in-charge of the overall management of the Company. Mr. Vijay Ravindra Kirloskar is having a wide contact with the industries peers, which is resulting in availing ample number of opportunities like new customers, significant order booking, new contacts, new technology agreements. Mr. Vijay Ravindra Kirloskar, being the promoter and experienced senior managerial personnel of the Company is playing a major role in the conduct of the overall business operations of the Company. The compensation

	package, which the Company has proposed is lower compared to the salaries offered to managerial personnel within the comparable industries.
Directorship in other listed companies	Mr. Vijay Ravindra Kirloskar is a director in the following companies: a. MRF limited b. Batliboi limited
Shareholding in the Company	1,18,90,618 Equity Shares
Chairperson of committees	Nil
Member of committees	a. Stakeholders Relationship Committee. b. Executive Committee

Name of director	Dr. Ashok Misra
Age	73 years
Date of appointment	05-11-2015
Relationship with other directors / KMP	NIL
Qualification & experience	<p>Prof. Ashok Misra is currently NASI Distinguished as Professor at the Indian Institute of Science, Bengaluru. Earlier he was Chairman-India of Intellectual Ventures from 2008-16; Director of IIT Bombay from 2000-08; at IIT Delhi from 1977-2000 and at Monsanto Chemical Co. from 1974-77. He is Adjunct Professor at the Univ. of Massachusetts and was a Visiting Fellow, Trinity College, University of Cambridge. He obtained his B.Tech from IIT Kanpur, M.S. from Tufts University and Ph.D. from the University of Massachusetts. He was conferred the Doctor of Science by Thapar University, Patiala.</p> <p>He has held several responsibilities with MHRD, Govt. of India including Chairman, Standing Committee of the IIT Council from 2015-17; Chairman, Board of Governors, IIT Roorkee; Chairman 2014-17; Chairman, Joint Entrance Examination (JEE) Apex Board from 2012-15 and Member Board of Governors, IIT Delhi from 2012-16. Prof. Misra is an Independent Director on the Board of Directors of Kirloskar Electric Co. Ltd., Jubilant Life Sciences Ltd., Jubilant Pharma Ltd. and Higher Education Funding Agency. Earlier he was an Independent Director on the Board of Directors of Reliance Industries Ltd., National Thermal Power Corporation Ltd., Rashtriya Chemicals &amp; Fertilizers Ltd. and Jubilant Industries Ltd. In addition, he is on the Advisory Board of IvyCap Ventures Pvt. Ltd., Lumis Partners and Log9 Materials.</p> <p>Prof. Misra is a Fellow of National Academy of Sciences India (NASI) and was its President from 2006-08; a Fellow of the Indian National Academy of Engineering (INAE). He is the founder President of the Polymer Processing Academy; former President of the Society of Polymer Science, India and founder President of the IIT Alumni Centre, Bengaluru.</p> <p>He has received several awards including: Distinguished Service Award, IIT Delhi; Distinguished Alumnus Awards from all his Alma Maters – University of Massachusetts, IIT Kanpur and Tufts University; Distinguished Service Award, Polymer Processing Society; Indian Chemical Council Lifetime Achievement Award for Education &amp; Research; National Systems Gold Medal; Qimpro Platinum Standard Award (Education); Bhatnagar Memorial Award at 94th Indian Science Congress; Chemtech CEW Awards (Education) and Acharya Prafulla Chandra Ray Memorial Award of Indian Chemical Soc. He has guided 22 doctoral students, co-authored a book, has 16 patents and over 182 international publications.</p>
Directorship in other listed companies	1. Jubilant Life Sciences Limited
Shareholding in the Company	Nil
Chairperson of committees	Nil
Member of committees	Nil

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Name of director	Mr. Sanjeev Kumar Shivappa
Age	57 years
Date of appointment	14-02-2020
Relationship with other directors / KMP	NIL
Qualification & experience	Mr. Sanjeev Kumar Shivappa is a graduate in Commerce and Masters in Business Administration (MBA) in finance from Bangalore University. He has about 35 years of post qualification experience and has worked extensively in the areas of finance. He has handled the finance department for more than 25 years. He was promoted to Assistant Vice President - Finance and Chief Financial Officer of the Company with effect from August 12, 2017. Prior to his joining in the Company, he had worked with Companies like Karnataka Oil Seeds Growers Federation Limited, Bengaluru, ROGCSU Limited etc.,
Directorship in other listed companies	Nil
Shareholding in the Company	NIL
Chairperson of committees	Nil
Member of committees	Nil

Name of director	Mr. Ravi Ghai
Age	69 years
Date of appointment	27.06.2020
Relationship with other directors / KMP	NIL
Qualification & experience	Mr. Ravi Ghai is a Mechanical Engineer from IIT – Kharagpur and a Post Graduate in Industrial Engineering from NITIE, Mumbai (1974). He is a retired bank executive with over three decades of experience in corporate banking, risk compliance and credit appraisal. He commenced his career in 1974 at State bank of India where he handled diverse investment banking assignments, mainly loan syndications and IPOs for 6 years. The following 15 years he worked at ANZ Grindlays Bank – across India and overseas in the fields of corporate credit, risks management and finance training. In 1999 he joined Oman International Bank as country Manager, India with a challenging mandate focusing on cleanup of a very weak corporate loans portfolio. He rounded off his career with a senior role in Credit Risk Review function at Arab National Bank, Riyadh where he was responsible for risk compliance and credit audit relating to large corporate portfolio. Notable achievements in his career include two instances of identification of frauds aimed at hiding losses, both undetected by Auditors. Post retirement, Mr. Ghai has handled diverse assignments as a trainer / consultant in finance & soft skills. He also coaches and mentors young adults in performing arts & communication skills, on behalf of the Times of India, and privately.
Directorship in other listed companies	Nil
Shareholding in the Company	Nil
Chairperson of committees	Nil
Member of committees	Audit Committee