NOTICE OF 72ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the **SEVENTY SECOND ANNUAL GENERAL MEETING ("AGM")** of the members of KIRLOSKAR ELECTRIC COMPANY LIMITED will be held on Saturday, 21st day of September 2019 at 10.00 A.M at Hotel Taj Yeshwanthpur, 2275, Tumkur Main Road, Yeshwanthpur Industrial Area, Phase-1, Yeshwanthpur, Bangalore 560 022, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited financial statement along with the Audited consolidated financial statement of the Company for the year ended March 31, 2019 together with the reports of the Board of Directors and auditor's thereon and in this regard, pass the following resolution as **Ordinary Resolution**:

(a) ***"RESOLVED THAT*** *the audited financial statement of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and auditor's thereon laid before this meeting, 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, 2019 and the report of the auditor's thereon as laid before this meeting, be and are hereby considered and adopted."*

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

"RESOLVED THAT *Mrs. Meena Kirloskar (DIN: 00286774), who retires by rotation pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, is hereby reappointed as a director liable to retire by rotation."*

3. 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 Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Ashok Kumar, Prabhashankar & Co., Chartered Accountants, (FRN : 004982S), Bengaluru, be and are hereby reappointed as Statutory Auditor of the Company for a second term of 5 (five) years from the conclusion of the 72nd Annual General Meeting until the conclusion of the 77th Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company."*

SPECIAL BUSINESS

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 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."*

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 all other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications (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, 2019, 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."*

6. To consider and, if thought fit, to pass with or without modification(s) 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), Mr. Satyanarayan Agarwal (DIN: 00111187), Independent Director, who was appointed as Independent Director at the Sixty Seventh Annual General Meeting of the Company, who holds office upto September 30, 2019 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 Member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby reappointed 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 September 20, 2024.

***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, the consent of the members of the Company be and is hereby accorded to continue the directorship of Mr. Satyanarayan Agarwal (DIN: 00111187) as the Independent Director of the Company, who will attain the age of 75 years on January 15, 2020, till the expiry of his term, i.e., upto September 20, 2024."*

7. To consider and, if thought fit, to pass with or without modification(s) 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), Mr. Kamlesh Suresh Gandhi (DIN: 00004969), Independent Director, who was appointed as Independent Director at the Sixty Seventh Annual General Meeting of the Company, who holds office upto September 30, 2019 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 Member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby reappointed 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 September 20, 2024."*

8. To consider and, if thought fit, to pass with or without modification(s) 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), Mr. Sarosh Jehangir Ghandy (DIN: 00031237), Independent Director, who was appointed as Independent Director at the Sixty Seventh Annual General Meeting of the Company, who holds office upto September 30, 2019 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 Member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby reappointed 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 September 20, 2024.*

***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, the consent of the members of the Company be and is hereby accorded to continue the directorship of Mr. Sarosh Jehangir Ghandy (DIN: 00031237), as the Independent Director of the Company, who has attained the age above 75 years on June 18, 2019, till the expiry of his term i.e., upto September 20, 2024."

9. To consider and, if thought fit, to pass with or without modification(s) 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), Mr. Mahendra Vellore Padmanaban (DIN: 00033270), Independent Director, who was appointed as Independent Director at the Sixty Seventh Annual General Meeting of the Company, who holds office upto September 30, 2019 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 Member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby reappointed 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 September 20, 2024.*

***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, the consent of the members of the Company be and is hereby accorded to continue the directorship of Mr. Mahendra Vellore Padmanaban (DIN: 00033270), as the non-executive Independent Director of the Company, who has attained the age above 75 years, from the effective date of the said Amendment Regulations i.e., April 01, 2019 till the expiry of his term i.e., upto September 20, 2024."*

10. To consider and, if thought fit, to pass with or without modification(s) 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), Mr. Anil Kumar Bhandari (DIN: 00031194), Independent Director, who was appointed as Independent Director at the Sixty Seventh Annual General Meeting of the Company, who holds office upto September 30, 2019 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 Member under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby reappointed 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 September 20, 2024.*

***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, the consent of the members of the Company be and is hereby accorded to continue the directorship of Mr. Anil Kumar Bhandari (DIN: 00031194), as the non-executive Independent Director of the Company, who has attained the age above 75 years, from the effective date of the said Amendment Regulations i.e., April 01, 2019 till the expiry of his term i.e., upto September 20, 2024."*

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

***"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions of*

the Companies Act, 2013 ("Act"), if any, and the rules framed thereunder including, the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Memorandum and Articles of Association of the Company and other applicable statutory provisions and regulations, if any as amended from time to time and subject to such other approvals, consents and permissions and sanctions required, if any from the appropriate authorities under any laws or regulations or guidelines and subject to such terms and conditions as may be specified by any of them while granting any such approvals and which may be agreed to, by the Board of Directors of the Company, (hereinafter referred to as "Board)" the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to sell / transfer / dispose of its manufacturing unit (Transformer Division) situated at U-16, GAT no. 309, 315, 318 & 317 opp. Govt. Milk Dairy, Kondhapuri, Tal Shirur, Pune – 412209 ("Undertaking"), together with all specified tangible and intangible assets, including moveable and immoveable properties, personnel / employees, plant and machinery and other assets in relation to the Undertaking but excluding its brand name, as a going concern in manner as the Board may deem fit in the best interest of the Company to Shirdi Sai Electricals Limited (CIN: U31401TG2010PLC069777) having its office at Hyderabad for a consideration of ₹ 45,00,00,000.00/- (Rupees Forty Five Crores only) on such necessary adjustment that may be agreed and also on terms and conditions as may be deemed fit by the Board.

***RESOLVED FURTHER THAT** the Board be and is hereby authorised and empowered to finalise and execute necessary documents including but not limited to definitive Agreements, and other ancillary documents, and to do all such other acts, deeds, matters and things as they may deem necessary and/ or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required, affixing the Common Seal of the Company on agreements / documents, arranging delivery and execution of contracts, deeds, agreements and instruments."*

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

***"RESOLVED THAT** pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder, and in accordance with the Memorandum of Association and Articles of Association of the Company and applicable regulations of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to all such approval(s), consent(s), permission(s), sanction(s), if any, of appropriate statutory, governmental and other authorities and departments in this regard and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), consent(s), permission(s) or sanction(s), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution, to the extent permitted by law) to convert the whole or part of the outstanding loan of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), by the Company under the lending arrangements (existing and future arrangements) with Laburnum Chemicals Private Limited bearing CIN: U24100GJ2013PTC075644 (hereinafter referred to as the "Lender"), at the option of the Lender, the loan or any other financial assistance categorized as loans (hereinafter referred to as the "Financial Assistance"), in Indian Rupees, which have already been availed from the Lender or as may be availed from the Lender, not exceeding ₹ 30,00,00,000.00/- Crores (Rupees Thirty Crores only) in one or more tranches for a term of 60 months (5 years), for meeting working capital fund requirement of the Company, consistent with the existing borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013, such Financial Assistance being separate and distinct from the other, into fully paid up equity shares of the Company on such terms and conditions as may be stipulated in the Convertible Loan Agreement executed or to be executed in respect of the Financial Assistance and subject to applicable law and in the manner specified in a notice in writing to be given by the Lender or their agents or trustees to the Company (hereinafter referred to as the "Notice of Conversion") and in accordance with the conditions stipulated in the Convertible Loan Agreement and in accordance with the following conditions:*

(i) the conversion right reserved as aforesaid may be exercised by the Lender in one or more trenches/occasions during the currency of the Loan/Financial Assistance;

(ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the loan/financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lender or any other person identified by the Lender as from the date of conversion and the Lender may accept the same in satisfaction of the part of the loans so converted;

(iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment installments of the loan payable after the date of conversion as per the loan/financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lender or such other person identified by the Lender shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects.

(iv) in the event that the Lender exercises the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lender as a result of the conversion, listed with such stock exchanges as may be prescribed by the Lender or such other person identified by the Lender and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lender or such other person identified by the Lender, to ensure that the equity shares are listed as required by the Lender or such other person identified by the Lender.

(v) the loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

***RESOLVED FURTHER THAT** on receipt of the notice of conversion, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and shall allot and issue requisite number of fully paid-up equity shares in the Company to such Lender.*

***RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lender arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.*

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

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

Place: Bangalore
Date: August 14, 2019

NOTES:

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

(b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. The proxy form duly completed and signed should be deposited at the corporate office not later than 48 hours before the commencement of the AGM. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy of any other person or member.

A proxy form is attached herewith. Proxies submitted on behalf of companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

(c) During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

(d) Corporate members intending to send their authorized representatives to attend the AGM are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the AGM.

(e) In case of joint members attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote (if cast at the AGM).

(f) For the purpose of AGM, the share transfer books and Register of Members of the Company will remain closed from September 13, 2019 to September 21, 2019 (both the days inclusive).

(g) 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.

(h) 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 Company to furnish the information.

(i) 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.

(j) 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, Bangalore – 560003. Members holding shares in the electronic form are advised to notify any change in their address to the concerned depository participants.

(k) To support 'Green Initiative', members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

(l) 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.

(m) 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.

(n) Electronic copy of the Annual Report for the year ended March 31, 2019 and Notice of the AGM are being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year ended March 31, 2019 are being sent in the permitted mode. 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

(o) The physical copies of the annual report for the year ended March 31, 2019 and Notice of the AGM will also be available at the Company's Registered Office in Bangalore for inspection on any working day during the business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request, by post free of cost. For any communication, the members may also send requests to the Company's investor email id: investors@kirloskarelectric.com

(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 ballot papers will also be made available at the AGM and members attending personally or though proxy, who have not cast/ exercised their rights to vote by remote evoting shall be able to exercise their right to vote at the AGM. Members who have cast their votes through remote evoting prior to the AGM may attend the AGM but shall not be entitled to cast their votes. The instructions for remote evoting are provided herein.

Mr. Karthick V, Practicing Company Secretary (ACS No.11910 / PCS No. 4680), has been appointed as scrutinizer for the purpose of voting.

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

(i) The voting period will begin on Wednesday, September 18, 2019 (from 9.00 A.M) and will end on Friday, September 20, 2019 (at 5.00 P.M). During this period, the 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 Friday, September 13, 2019 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.

(iii) The members should log on to the e-voting website www.evotingindia.com during the voting period

(iv) Click on "Shareholders / Members" tab.

(v) 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.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in DEMAT form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) 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) • 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. • 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.
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.

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) 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.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN of KIRLOSKAR ELECTRIC COMPANY LIMITED on which you choose to vote.

(xiii) 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.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xviii) 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.

(xix) 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.

(xx) 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
- 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 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.

(xxi) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxii) The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website 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) Information about directors seeking appointment / reappointment given in the **annexure** appended hereto and forms part of this report.

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

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

Place: Bangalore
Date: August 14, 2019

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

Item no. 4:

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. 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 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, 2019. In accordance with the provisions of the Section 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. 5 of the accompanying notice. The Board recommends the resolution at Item No. 5 to be passed as an ordinary resolution.

Item no. 6, 7, 8, 9 & 10:

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 67th Annual General Meeting of the Company held on 30th September, 2014, the following directors were appointed as an Independent Directors of the Company for a period of 5 (five) years;

(1). Mr. Satyanarayan Agarwal (DIN: 00111187),

(2). Mr. Kamlesh Suresh Gandhi (DIN: 00004969)

(3). Mr. Sarosh Jehangir Ghandy (DIN: 00031237)

(4). Mr. Mahendra Vellore Padmanaban (DIN: 00033270)

(5). Mr. Anil Kumar Bhandari (DIN: 00031194)

(Hereinafter called as Independent Directors)

The above Independent Directors will complete their initial term of 5 years on 30th September, 2019 and are eligible for reappointment for second consecutive term for five 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 Mr. Kamlesh Gandhi will attain the age of 75 years or has already attained 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 August 14, 2019 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 directors during their tenure and outcome of performance evaluation of the Independent Directors, the approval of the members of the Company sought for reappointment of above said Independent Directors, 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 has attained the age of 75 years. 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 Directors and consent(s) in writing to act as directors in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 confirming 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 Directors are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, the director(s) fulfills 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 Directors 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 Directors of the Company.

The terms and conditions of reappointment of above Independent Directors 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 Mr. Satyanarayan Agarwal, 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.

For the purpose of Item no. 7, except Mr. Kamlesh Suresh Gandhi, 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. 7.

For the purpose of Item no. 8, except Mr. Sarosh Jehangir Ghandy, 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. 8.

For the purpose of Item no. 9, except Mr. Mahendra Vellore Padmanaban, 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. 9.

For the purpose of Item no. 10, except Mr. Anil Kumar Bhandari, 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. 10.

The brief profile(s) of the Independent Director(s) 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. 11:

Members of the Company are requested to note that the provisions of Section 180(1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the Company, only with the approval of the members of the Company by way of a special resolution.

Explanation (i) to Section 180(1)(a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1)(a) of the Companies Act, 2013 is an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year.

Explanation (ii) the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1)(a) is in any financial year shall mean twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year;

Since the networth of the Company is negative, the manufacturing unit situated at Pune ('undertaking') falls under the explanation (i) and therefore members' approval by way of 'Special Resolution' for disposal of the said undertaking is required. For working capital requirements and other general business purpose it is proposed to sell, transfer, or dispose of the unit situated in Pune ('undertaking') and to pay off the debts / augment its working capital of the Company,

The Board of Directors of the company ("the Board") at its meeting held on July 01, 2019 accorded its approval to enter into Memorandum of Understanding and to Transfer or such other mode as may be agreed, subject to the completion of satisfactory due diligence and after receipt of other approvals as may be required. Further, subject to the completion of satisfactory due diligence by the buyer and completion of the conditions precedents, the Board will evaluate the transaction and will take appropriate decision for the benefit of the Company. This resolution is an enabling resolution authorizing the Board to negotiate and finalize the transaction.

None of the Directors and Key Managerial personnel of the Company and their relatives is / are concerned or interested financially or otherwise in the resolution No. 11 of the accompaning notice. Therefore the board recommends the resolution No. 11 to be passed as a Special Resolution.

Item no. 12:

The Company proposes to borrow a loan upto a sum of ₹ 30,00,00,000.00/- (Rupees Thirty Crore Only) from Laburnum Chemicals Private Limited ("Lender") in one or more tranches for a term of 60 months (5 years), for meeting the working capital fund requirement of the Company under the terms and conditions mentioned in the 'Convertible Loan Agreement'. The loan amount shall be secured by charge over all fixed and movable assets including current assets of the Company, ranking subservient to the existing charges created on the assets in favour of the existing secured lenders of the Company. The security shall be created by way of execution of deed of Mortgage and deed of hypothecation within 60 days from the 1st withdrawal of the Loan. The interest shall be due on the outstanding sum of the principal amount at a compound rate of 18% per annum, on monthly basis within 3 days of completion of every calendar month. The unpaid loan amount and/or accrued interest if any after the expiry of term i.e., 5 years from the date of disbursement of the Loan may be converted at the Lender's option at any time into ordinary shares of the Company in single or multiple tranches at the conversion rate as may be applicable as per SEBI guidelines on the respective date of conversion. Such shares upon conversion of Loan shall be listed on the stock exchanges where the shares of the Company are listed.

Pursuant to Section 62(3) and (4) of the Companies Act, 2013, the subscribed and paid up capital of a Company can be increased without further approval by shareholders for the loan raised by the Company to convert such loans into shares of the Company provided that the terms of the loan containing such an option have been approved before the raising of loan by a special resolution passed by the Company in general meeting.

Thereunder, while sanctioning a loan facility, a condition that the lender shall have the right of conversion of outstanding obligations into paid up equity share capital in case of default in payment / repayment by the Company.

None of the Directors and Key Managerial personnel of the Company and their relatives is / are concerned or interested financially or otherwise in the resolution No. 12 of the accompaning notice. Therefore the board recommends the resolution No. 12 to be passed as a Special Resolution.

Information about directors seeking appointment / reappointment

Annexure

1

Name of director	Mrs. Meena Kirloskar
Age	64 years
Date of appointment	31-07-2009
Relationship with other directors / KMP	Ms. Meena Kirloskar is spouse of Mr. Vijay R 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	Mrs. Meena Kirloskar is a director in the following companies a. Ravindu Motors Private Limited b. Vijay Farms Private Limited c. Vijay Kirti Investments and Agencies Private Limitedd. d. Vijayajyothi Investments and Agencies Private Limited e. Vimraj Enterprises Private Limited f. Sri Vijayadurga Investments And Agencies Private Limited g. Abhiman Trading Company Private Limited
Shareholding in the Company	184,514 Equity Shares
Chairperson of committees Members of committees	Nil a. Nomination and Remuneration Committee. b. Executive Committee

2

Name of director	Mr. Satyanarayan Agarwal
Age	74 years
Date of appointment	20/10/2000
Relationship with other directors / KMP	Mr. Satyanarayan Agarwal is not related to any directors of the Company
Qualification & experience	Mr. Satyanarayan Agarwal is a graduate engineer and alumni of Harvard Business School (AMP- 1985). He is the Chairman of Bhoruka Group which has diversified interests in core industries like Transportation, Steel, Power, Industrial Gases etc. He is a Member of Executive Committee – Federation of Indian Chambers of Commerce & Industry (FICCI); Member, Management Board – Indian Institute of Health Management & Research, (IIHMR), Jaipur; Member, Court – Indian Institute of Science and Member, Board of Governors – Indian Institute of Management, Bangalore. Mr. Agarwal has served as Chairman of Steel Furnace Association of India; Confederation of Indian Industry (CII), Karnataka Region and Bangalore Chamber of Industry and Commerce (BCIC).
Directorship in other listed companies	Mr. Satyanarayan Agarwal is a director in the following companies a. Bhoruka Cogen Power Private Limited b. Prabhu Structures Investment India Private Limited c. Prabhu Structures Holdings Private Limited d. Shahapur Power Limited e. Transport Corporation Of India Limited f. Pharmed Limited g. Bhoruka Steel And Services Limited h. Bhuruka Gases Investments India Private Limited i. Bhoruka Agro Business Private Limited j. Bhoruka Power Corporation Limited k. Bhuruka Gases Limited
Shareholding in the Company	500 Equity Shares
Chairperson of committees	Nomination and Remuneration Committee.
Member of committees	Audit Committee

3

Name of director	Mr. Kamlesh Suresh Gandhi
Age	69 years
Date of appointment	25/06/2007
Relationship with other directors / KMP	Mr. Kamlesh Suresh Gandhi is not related to any directors of the Company
Qualification & experience	Mr. Kamlesh Suresh Gandhi, a Commerce Graduate and is associatedwith capital and Financial Markets in India for the past 38 years and was member of the BSE for 14 years from 1981 to 1995. He was a Director in the Board of Association of Merchant Bankers of India for 4 years from inception of the Association. As a Merchant Banker, he is instrumental in raising funds for over 300 capital issues and is involved in placement of equities of several companies with retail, high net worth and Institutional Investors, both domestic and overseas. He was the Guest Speaker at Training Institutes of Banks

	and Bankers Training College of RBI, on Merchant Banking Activities. He was a Non Executive Director of Several Companies including Dr. Reddy's Group and Rasi Group. He is involved in advising several NRO investors including many high net worth NRI's.
Directorship in other listed companies	Mr. Kamlesh Suresh Gandhi Gandhi is a director in the following companies
	a. Bhagyanagar India Limited b. NCL Industries Ltd c. Sundaram -Clayton Limited d. NCL Alltek & Seccolor Limited
Shareholding in the Company	500 Equity Shares
Chairperson of committees	Audit Committee.
Member of committees	Nomination and Remuneration Committee

4

Name of director	Mr. Sarosh Jehangir Ghandy
Age	81 years
Date of appointment	26/08/2003
Relationship with other directors / KMP	Mr. Sarosh Jehangir Ghandy is not related to any directors of the Company.
Qualification & experience	Mr. Sarosh Jehangir Ghandy, is a graduate from Carneigie Institute of Technology, USA, he joined Tata Engineering & Locomotive Co. Ltd, Jamshedpur in 1958. He held various positions in TELCO, Jamshedpur and joined the Board of Directors of TELCO in 1976 and was on the Board of TELCO till 1999. Mr. Ghandy was Managing Director of Telco Construction Equipment Company Ltd from 1999 to 2002. Mr. Ghandy was also a Special Advisor to the Chairman of Telco Construction Equipment Company Limited for a year.
Directorship in other listed companies	Mr. Sarosh Jehangir Ghandy is a director in the following companies/firms associations; a. Bhuruka Gases Limited b. Janaadhar (India) Private Limited *c. Quippo Infrastructure Equipment Limited#* d. Maini Materials Movement Private Limited e. Teleradiology Solutions Private Limited f. Edutech NTTF India Private Limited g. Nettur Technical Training Foundation h. Parinaam Foundation
Shareholding in the Company	615 Equity Shares
Chairperson of committees	Corporate Social Responsibility (CSR) Committee.
Member of committees	a. Nomination and Remuneration Committee b. Audit Committee

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5

Name of director	Mr. Mahendra Vellore Padmanaban
Age	77 years
Date of appointment	25/06/2007
Relationship with other directors / KMP	Mr. Mahendra Vellore Padmanaban is not related to any directors of the Company.
Qualification & experience	Mr. Mahendra Vellore Padmanaban, is an engineering graduate, he joined VST Tillers Tractors Limited in the year 1968 and worked in various capacities through the years and was appointed as Deputy Managing Director of the Company in February, 1984. He was elevated to the position of Managing Director in 1989 which post he holds to date. Besides being on the Board of several companies he is also member of several philanthropic institutions.
Directorship in other listed companies	Mr. Mahendra Vellore Padmanaban is a director in the following Companies / firms / associations; a. VST Tillers Tractors Limited b. Lakshmi Ring Travellers (Coimbatore) Private Limited c. V.S.T. Motors Private Limited d. Mitsubishi Heavy Industries-VST Diesel Engines Private Limited e. Crest Constructions Private Limited f. V.S.T. & Sons Private Limited g. V.S.T. Auto Parts Private Limited h. Bangalore Motors Private Limited i. V.S.T. Auto Ancillaries Private Limited j. Hotel Pearls Private Limited k. Gove Finance Limited l. VST Holdings Private Limited m. Pearls Estates Private Limited
Shareholding in the Company	2,533 Equity Shares
Chairperson of committees	Nil.
Member of committees	a. Audit Committee b. Stakeholder Relationship Committee c. Corporate Social Responsibility (CSR) Committee.

6

Name of director	Mr. Anil Kumar Bhandari
Age	75 years
Date of appointment	27/02/2002
Relationship with other directors / KMP	Mr. Anil Kumar Bhandari is not related to any directors of the Company.
Qualification & experience	Mr. Anil Kumar Bhandari, is an Economics Graduate, he is a former Vice Chairman and presently a member of Coffee Board. He is also Chairman of Coffee Committee of United Planters Association of South India and Chairman of Karnataka Planters Association.
Directorship in other listed companies	Mr. Anil Kumar Bhandari is a director in the following Companies / firms / associations; a. The Waterbase Limited b. *Pinnae Feeds Limited#* c. Karnataka Coffee Brokers Private Limited d. Bhoruka Park Private Limited e. Luxquisite Parkland Private Limited f. Swaki Habitat Private Limited g. SLPKG Estate Holdings Private Limited
Shareholding in the Company	500 Equity Shares
Chairperson of committees	Nil.
Member of committees	a. Audit Committee b. Nomination and Remuneration Committee c. Stakeholder Relationship Committee d. Corporate Social Responsibility (CSR) Committee.

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