KIRLOSKAR INDUSTRIES LIMITED

Enriching Lives

9th February 2012

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C -1, Block G,
Bandra-Kurla Complex,
Bandra (E),
Mumbai - 400 051

Ref.: Scrip Code: KIRLOSIND

Dear Sir,

Subject: Copy of Abstract and Memorandum pursuant to section 302 of the Companies Act, 1956

Pursuant to Clause 31 of Listing Agreement, please find enclosed three copies of Abstract and Memorandum pursuant to section 302 of the Companies Act, 1956 in respect of following changes sent to shareholders ;

1. Mr. Nihal G. Kulkarni has resigned as Managing Director of the Company with effect from the close of working hours of 25th January 2012. He continues to be a non-executive Director on the Board of the Company and will be liable to retire by rotation.
2. The Board of Directors of the Company, in its meeting held on 25th January 2012, appointed Ms. Aditi Chirmule who was serving the Company as Company Secretary, as the Executive Director & Company Secretary of the Company, for a period of 5 years from 25th January 2012. The Board of Directors also determined the remuneration payable to Ms. Aditi Chirmule as the Executive Director & Company Secretary of the Company. The said appointment as Executive Director & Company Secretary as well as remuneration is subject to the approval by the members in the Annual General Meeting.

You are requested to kindly take the same on your records.

Thanking you,
Yours faithfully,
For **Kirloskar Industries Limited**

A.V.Mali

Ashwini Mali
Manager - Secretarial
Encl: As above

KIRLOSKAR INDUSTRIES LTD. PUNE-38

To,
The Members of the Company

ABSTRACT AND MEMORANDUM PURSUANT TO SECTION 302 OF THE COMPANIES ACT, 1956

A. Mr. Nihal G. Kulkarni has resigned as the Managing Director of the Company with effect from the close of working hours of 25th January 2012. He continues to be a non-executive Director on the Board of the Company and will be liable to retire by rotation.

B. The Board of Directors of the Company, in its meeting held on 25th January 2012, appointed Ms. Aditi Chirmule who was serving the Company as Company Secretary, as the Executive Director & Company Secretary of the Company, for a period of 5 years from 25th January 2012. The Board of Directors also determined the remuneration payable to Ms. Aditi Chirmule as the Executive Director & Company Secretary of the Company. The said appointment as Executive Director & Company Secretary as well as remuneration is subject to the approval by the members in the Annual General Meeting.

Pursuant to Section 302 of the Companies Act, 1956, an abstract of the resolution passed by the Board of Directors on 25th January 2012 is as follows:

The aggregate remuneration payable to Ms. Aditi Chirmule as the Executive Director & Company Secretary of the Company shall not exceed the limits as laid down under Sections 198, 309 and Schedule XIII to the Companies Act, 1956. Ms. Aditi Chirmule, Executive Director & Company Secretary shall be paid remuneration as follows:

A. BASIC SALARY:

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

B. PERQUISITES:

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

1. Reimbursement of all medical expenses incurred for self and family, subject to a limit of ₹ 15,000/- (₹ Fifteen Thousand only) per annum. In addition, hospitalization expenses incurred in India for self and family will be paid on actual basis.

2. Leave travel assistance for self and family, once in a year, not exceeding half a month's salary.

3. Term Insurance, premium whereof does not exceed ₹ 12,000/- (₹ Twelve Thousand only) per annum.

4. Provision of car.

5. Telephone at residence and a mobile phone. Personal long distance calls shall be billed by the Company to the Executive Director & Company Secretary.

6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.

7. Gratuity at the rate not exceeding 15 days' salary for each completed year of service.

8. Leave at the rate of 30 days per calendar year of service. Leave calculation for a part of the calendar year at the date of appointment as Executive Director & Company Secretary or on ceasing to be Executive Director & Company Secretary shall be made on a pro-rata basis at the rate of two and a half days' leave for every month of service. Leave accumulated and not availed of, may be encashed at the end of tenure as per the rules of the Company.

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

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

C. COMMISSION:

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

D. MINIMUM REMUNERATION:

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

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

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

b. Gratuity at the rate not exceeding 15 days' salary for each completed year of service as Executive Director & Company Secretary.

c. Encashment of leave at the end of the tenure.

E. So long as she functions as Executive Director & Company Secretory, she shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

Ms. Aditi Chirmule shall be a non-retiring Director.

Ms. Aditi Chirmule is interested to the extent of remuneration payable to her. None of the other Directors of the Company is concerned or interested.

By order of the Board of Directors
For **Kirloskar Industries Limited**

A. R. Sathe
Director

Date: 25th January 2012
Place: Pune

BOOK-POST

KIRLOSKAR INDUSTRIES LIMITED

If undelivered

Link Intime India Private Limited
(Unit: Kirloskar Industries Limited)
'Akshay' Complex, Block No. 202,
2nd Floor, Off Dhole Patil Road,
Near Ganesh Temple, Pune - 411 001