KIRLOSKAR OIL ENGINES LIMITED
A Kirloskar Group Company

Enriching Lives

Date: 26 December 2017

NSE Scrip Code: **KIRLOSENG**

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

BSE Scrip Code: **533293**

To
Corporate Relationship Department
BSE Limited
1st Floor, Rotunda Building,
Dalal Street, Fort,
Mumbai – 400 001

Dear Sir/Madam,

Subject: Postal Ballot Notice

This has reference to our letter dated 11 December 2017, regarding approval of the Board of Directors of the Company to conduct the Postal Ballot pursuant to the provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, for seeking approval of the members of the Company for alteration of Object Clause of the Memorandum of Association of the Company to include 'Financial Services'.

We wish to inform you that the Company has sent the Postal Ballot Notice along with Postal Ballot Forms to all the members whose name appear in the Register of Members / list of Beneficial Owners received from the Registrar and Share Transfer Agent of the Company, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 15 December 2017, i.e., cut-off date. The Company has completed on 26 December 2017, the physical and electronic dispatch of the Postal Ballot Notice dated 11 December 2017, along with the Postal Ballot Form.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the copy of the Notice of the Postal Ballot and Postal Ballot Form are enclosed herewith.

The Company has engaged the services of the NSDL for providing e-voting facility and e-voting period will commence on Wednesday, 27 December 2017 at 9 a.m. and end on Thursday, 25 January 2018 at 5 p.m. The results of the Postal Ballot will be announced on Tuesday, 30 January 2018, before 5.00 p.m.

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The Notice of Postal Ballot Notice with explanatory statement, instructions for e-voting and Postal Ballot Form are available on the Company website www.koel.co.in

You are requested to take the same on record.

Thanking you.

Yours Faithfully,
For Kirloskar Oil Engines Limited

S. A. Raichurkar

Smita Raichurkar
Company Secretary

KIRLOSKAR OIL ENGINES LTD. PUNE-3

Encl: As above

Regd. Office: Laxmanrao Kirloskar Road, Khadki, Pune 411 003 India Tel.: +91 20 2581 0341, 6608 4000 Fax: +91 20 2581 3208, 2581 0209 Toll Free: 1800 233 3344
email: info@kirloskar.com Website: www.koel.co.in
CIN:L29120PN2009PLC133351

KIRLOSKAR OIL ENGINES LIMITED
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POSTAL BALLOT NOTICE

Dear Member(s)

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013, (the Act), read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (the Rules) and read with Regulation 44 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI LODR), including any statutory modification(s) or re-enactment thereof, for the time being in force, for obtaining assent of the members of the Company by means of Postal Ballot and voting through electronic means (e-voting) on the Resolution set out in this Notice.

The Company has appointed Mr. Mahesh J. Risbud, Practicing Company Secretary, Pune, (Membership No. 810 and CP No. 185), as the Scrutinizer for scrutinizing the Postal Ballot and e-voting process in a fair and transparent manner.

Members holding shares (whether in demat form or in physical form) may vote either by way of postal ballot or by way of e-voting.

Members who wish to exercise their vote by using e-voting facility, they are required to follow the instructions as mentioned in this Notice. The e-voting shall commence from Wednesday, 27 December 2017 at 9.00 a.m. and end on Thursday, 25 January 2018 at 5.00 p.m.

Members who wish to vote through postal ballot form are requested to read the instructions printed on the Postal Ballot Form. Members shall submit duly completed and signed Postal Ballot Form, in the enclosed self-addressed postage prepaid envelope, so as to reach the Scrutinizer on or before 5.00 p.m. Thursday, 25 January 2018.

Based on the Scrutinizer's Report, the Results of the Postal Ballot and e-voting will be declared on Tuesday, 30 January 2018 on or before 5.00 p.m. at the Registered Office of the Company. The declared Results, alongwith the Scrutinizer's Report, will be available on the Company's website www.koel.co.in and will also be communicated to the Stock Exchanges where the Company's shares are listed viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). National Securities Depository Limited (NSDL), engaged by the Board of Directors of the Company for facilitating e-voting, will also display these Results on its website www.evoting.nsdl.com.

SPECIAL BUSINESS:

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 13 and all other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, for the time being in force and other approvals as may be necessary, including obtaining license from Reserve Bank of India, Clause III (A) the main Object Clause of the Memorandum of Association of the Company be approved to be altered by insertion of the following new clause III (A) 2 after the existing Clause III (A) 1 therein:

"*To carry on the business, through itself or through a subsidiary;* of a leasing company, hire purchase company and finance company and to undertake and / or arrange or syndicate all types of business relating to financing of consumers, individuals, industry or corporates, for all kinds of vehicles, aircrafts, ships, machinery, plants, two-wheelers, tractors and other farm equipment, consumer durables equipment, renewable energy equipment / infrastructure, construction equipment, housing equipment, capital equipment, office equipment, their spares and components, real estate, infrastructure work or activity, including used / refurbished products, consumable products, as also services of every kind and description, computers, storage tanks, toll roads, communication satellites, communication lines, factories, rolling stock, moveable and immoveable property, to engage in all forms of Securitisation, instalment sale and / or deferred sale relating to goods or materials, to purchase the book debts and receivables of companies and to lend or give credit against the same, to borrow, to transact business as promoters, financiers, monetary agents, to carry out the business of a company established with the object of financing industrial enterprises and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, Banks, Industrial Companies or any other agency, in the form of lending or advancing money by way of loan, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, sole proprietorship, limited liability partnership, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in infrastructure activities and to raise and provide venture capital and promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities."

Regd. Office: Laxmanrao Kirloskar Road, Khadki, Pune 411 003 India Tel.: +91 20 2581 0341, 6608 4000 Fax: +91 20 2581 3208, 2581 0209
email: investors@kirloskar.com Website: www.koel.co.in
CIN:L29120PN2009PLC133351

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take such steps as may be necessary, proper or expedient to give effect to this resolution either on its own or by delegating all or any of its powers to any of the Director, Company Secretary or any other officer of the Company."

By Order of the Board of Directors
For KIRLOSKAR OIL ENGINES LIMITED

Sd/-
Rajendra R. Deshpande
Joint Managing Director

Place: Pune
Date: 11 December 2017

NOTES:

1. The Statement setting out material facts and reasons for the proposed Special Resolution pursuant to the provisions of Section 102 of the Act is annexed to this Notice.

2. The Postal Ballot Notice is being sent to the members whose names appear on the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, 15 December 2017. The Postal Ballot Notice is being sent to members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding) / the Company's Registrar and Share Transfer Agent (in case of physical shareholding). For members whose email IDs are not registered, physical copies of the Postal Ballot Notice and Postal Ballot Form are being sent by permitted mode along with a postage prepaid self-addressed Business Reply Envelope.

3. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on 15 December 2017. The right of voting by the Postal Ballot Form shall not be exercised by a Proxy.

4. The members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 15 December 2017, are entitled to exercise his/her vote through Postal Ballot Form or through e-voting. The member who does not hold any shares as on cut- off date may treat this notice for information purpose only.

5. A Member can opt for only one mode of voting i.e. either through e-voting or by the Postal Ballot Form. If a Member casts votes by both modes, then voting done through e-voting shall prevail and the Postal Ballot Form shall be treated as invalid.

6. Voting through Postal Ballot Form:

   a) Members wishing to exercise their vote by physical Postal Ballot are requested to carefully read the instruction printed on the back side of Postal Ballot Form and return the Form duly completed and signed, in the enclosed self-addressed Business Reply Envelope to the Scrutinizer, so that it reaches the Scrutinizer on or before **5.00 p.m. on Thursday, 25 January 2018**. Postal Ballot Form(s) received after this date will be strictly treated as if the reply from such member has not been received. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by Courier or Registered / Speed Post at the expense of the member will also be accepted.

   b) A member may request for a duplicate Postal Ballot Form, if so required. All such requests should be addressed to the Company (investors@kirloskar.com) / the Registrar and Share Transfer Agents, viz., Link Intime India Private Limited, (Unit: Kirloskar Oil Engines Limited), Block No. 202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune 411 001.

7. Voting through electronic means:

   In compliance with Regulation 44 of SEBI LODR and Sections 108, 110 and other applicable provisions of the Act, read with the related Rules and Secretarial Standards on General Meeting (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by permitted mode. The Company has engaged the services of NSDL for the purpose of providing e-voting facility to all its members.

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email: investors@kirloskar.com Website: www.koel.co.in
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The e-voting period commences on Wednesday, 27 December 2017 (9.00 a.m.) and ends on Thursday, 25 January 2018 (5.00 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on cut-off date i.e., 15 December 2017, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, member shall not be allowed to change it subsequently.

The instructions for voting through electronic means are as under:

A. Member whose email IDs are registered with the Company/ R & T Agent viz. Link Intime India Private Limited / Depository Participant(s) will receive an email from NSDL informing them of their User-ID and Password. Once the Members receive the email, he or she will need to go through the following steps to complete the e-voting process:

1. Open email and open PDF file viz. **"KOEL Postal Ballot e-Voting.pdf"** with your Folio no. / Client ID as password. The said PDF file contains your User ID and password/PIN for e-voting. Please note that the password is an initial password. You will not receive this pdf file if you are already registered with NSDL for e-voting.
2. Open internet browser and type URL viz. **https://www.evoting.nsdl.com**
3. Click on Shareholder-Login
4. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password/PIN.
   *NOTE: Shareholders who forgot the User Details/Password can use "*Forgot User Details/Password?*" or "*Physical User Reset Password?*" option available on* www.evoting.nsdl.com.
   If Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
   If Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
5. If you are logging in for the first time, please enter the 'USER ID' and 'Initial Password' as noted in Step 1 above and click 'Login'.
6. The Password Change Menu will appear on your screen. Change to a new Password of your choice making sure that, it contains a minimum of 8 digits or characters or combination of the two. Please take utmost care to keep your Password confidential.
7. Once e-Voting home page opens, Click on e-Voting > Active Voting Cycles
8. Select the EVEN (E-Voting Event Number) of Kirloskar Oil Engines Limited.
9. Now you are ready for e-voting as 'the Cast Vote' page opens.
10. Cast your vote by selecting appropriate option and click Submit and also Confirm when prompted.
11. Upon confirmation, the message 'Vote cast successfully' will be displayed. Please note that once your vote is cast on selected resolution, it cannot be modified.
12. Institutional shareholders (i.e. members other than individuals, HUF, NRIs etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature (s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at mjrpcs@gmail.com with a copy marked to evoting@nsdl.co.in

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

1. Initial password will be provided separately:
   EVEN (E-Voting Event Number) USER ID PASSWORD/PIN
2. Please follow all steps from Sr. No. (2) to (12) above, to cast vote.

8. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available on the website www.evoting.nsdl.com under the 'Downloads section'. You can also contact NSDL via email at evoting@nsdl.co.in or call on toll free no. 1800-222-990.

9. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for casting your vote.

10. You can also update your mobile number and e-mail ID in the user profile details of the Folio, which may be used for sending future communication(s).

11. The Scrutinizer will submit his report to the Chairman or the Managing Director or the Joint Managing Director after completion of the scrutiny of Postal Ballot Forms and Voting through electronic means and the consolidated results of the voting will be announced by the Chairman or the Managing Director or the Joint Managing Director, on **Tuesday, 30**

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January 2018 before 5 p.m. at Registered Office of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website www.koel.co.in and communicated to the Stock Exchanges viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The results will also be available on the website of NSDL www.evoting.nsdl.com

12. The Resolution, if passed by the requisite majority, shall be deemed to have been passed on 25 January 2018, i.e., the last date specified for receipt of duly completed Postal Ballot Forms or e-voting. All the material documents referred to in the Statement setting out material facts annexed thereto will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by Postal Ballot/ e-voting.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As members you are aware, that the Company is in the business of designing, developing and manufacturing of Engines, Generating Sets, Pump Sets, Power Tillers and allied services.

The liquid funds of the Company are deployed in treasury function as per Investment Policy of the Company. However, over time, the yields / returns on such deployment has been decreasing and is now very nominal. After careful evaluation of strategy, potential of business, internal capabilities and external economic factors, it is proposed to venture into the financial services business. This will be subject to the approval of the members and other approvals as may be necessary including obtaining the License from Reserve Bank of India.

The Board of Directors in its meeting held on 11 December 2017, recommended to undertake the business of financial services by inserting / introducing new Clause III (A) 2 after existing Clause III (A) 1 of Memorandum of Association (MOA) of the Company. The proposed business would be conveniently and advantageously synergised with the long-term strategy of the Company.

As per the provisions of Sections 13, 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the resolution set out in the Notice for alteration in the Object Clause of the MOA requires approval of the members of the Company by passing special resolution through Postal Ballot.

None of the Directors, Key Managerial Personnel of the Company including their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding interest, if any.

By Order of the Board of Directors
For KIRLOSKAR OIL ENGINES LIMITED

Sd/-
Rajendra R. Deshpande
Joint Managing Director

Place: Pune
Date: 11 December 2017

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POSTAL BALLOT FORM

Serial No.:

Name and Registered Address of Sole /First named Member(s) (In Block letters)	
Name(s) of the Joint Member(s) if any	
Folio No. / DPID No. * / Client ID No.* (*Applicable to Member holding shares in dematerialised form)	
Number of Shares held	
EVEN (E-voting Event Number)	
User ID	
Password	

I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company, dated 11 December 2017, by sending my/our assent or dissent to the said Resolution by placing the tick (✓) mark in the appropriate box below:

Description of the Resolution	**No. of Shares**	**I/We assent to the Resolution**	**I/We dissent to the Resolution**
Special Resolution under Section 13 of the Companies Act, 2013, for alteration of Main Object Clause of the Memorandum of Association (MOA) by inserting new clause III (A) 2 after the existing Clause III (A) 1 of MOA.			

Place:
Date:

_____
(Signature of the Member)

E-voting facility will be available during following voting period:

Commencement of e-voting	**Closure of e-voting**
Wednesday, 27 December 2017 at 9 a.m.	**Thursday, 25 January 2018 at 5 p.m.**

Note:
1. Please read the instructions printed overleaf carefully before exercising your vote.
2. Last date of receipt of Postal Ballot Form on or before 5 P.M. on Thursday, **25 January 2018**.

Instructions

1. The Company is pleased to offer electronic voting (e-voting) facility as an alternate, for all the members of the Company to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. The detailed procedure is enumerated in the Notes to the Postal Ballot Notice dated 11 December 2017.

2. Member(s) who do not have access to e-voting facility, can exercise their votes by filing this Postal Ballot Form.

3. Members may fill up this Postal Ballot Form printed overleaf (no other form or photocopy of the form will be accepted) and submit the same in the attached self- addressed business reply envelope bearing address of Mr. Mahesh Risbud, Practicing Company Secretary (the Scrutinizer), so as to reach on or before **5.00 p.m. on Thursday, 25 January 2018**. Postal Ballot Form(s) received after this date will be strictly treated as if the reply from such member has not been received. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by Courier or Registered / Speed Post at the expense of the member will also be accepted.

4. There shall be one Postal Ballot for every folio / DP-Client ID, irrespective of the number of joint holders.

5. The Postal Ballot Form should be signed by the Members as per the specimen signature registered with the Company / the Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder.

6. The right of voting by the Postal Ballot Form shall not be exercised by a Proxy.

7. In case the shares are held by companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.

8. A member may request for a duplicate Postal Ballot Form, if so required. All such requests should be addressed to the Company (investors@kirloskar.com) / the Registrar and Share Transfer Agents, viz., Link Intime India Private Limited, (Unit: Kirloskar Oil Engines Limited), Block No. 202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune 411 001. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item No. 3 above.

9. A Member can opt for only one mode of voting i.e. either through e-voting or by the Postal Ballot Form. If a Member casts votes by both modes, then voting done through e-voting shall prevail and the Postal Ballot Form shall be treated as invalid.

10. The members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 15 December 2017, are entitled to exercise his/her vote through Postal Ballot Form or through e-voting. The members who do not hold any shares as on cut- off date may treat this notice for information purpose only.

11. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on **15 December 2017.**

12. Unsigned, incomplete, improperly or incorrectly tick marked Postal Ballot Forms will be rejected. The decision of the Scrutinizer on the validity of the Postal Ballot Form will be final.

13. The Company will not be responsible, if the envelope containing the Postal Ballot Form is lost in transit.

14. The result will be announced by the Chairman or Managing Director or Joint Managing Director of the Company on **Tuesday, 30 January 2018, before 5.00 p.m.** at the Registered Office of the Company. The results along with the Scrutinizer's Report shall be placed on the Company's website www.koel.co.in and communicated to the Stock Exchanges viz. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The results will also be available on the website of NSDL www.evoting.nsdl.com