

PNEUMATIC HOLDINGS LIMITED

NOTICE

Notice is hereby given that the 2nd Annual General Meeting of Pneumatic Holdings Limited will be held on Wednesday, the 10th day of August 2016 at 3.30 p.m. at S. M. Joshi Socialist Foundation (S. M. Joshi Hall), S. No. 191/192, Navi Peth, Near Ganjave Chowk, Pune 411 030, to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1:

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 March 2016 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO. 2:

To confirm interim dividend on equity shares paid as final dividend for the Financial Year ended on 31 March 2016.

ITEM NO. 3:

To appoint a Director in place of Mr. Anil N. Alawani (DIN : 00036153), who retires by rotation and being eligible, offers himself for re-appointment.

ITEM NO. 4:

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and 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), P. G. Bhagwat, Chartered Accountants, Pune, (Firm Registration Number 101118W), be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 5th Annual General Meeting to be held in the Financial Year 2019-2020, subject to ratification of the appointment by the members at ensuing Annual General Meeting, at a remuneration to be decided by the Board of Directors.”

SPECIAL BUSINESS:

ITEM NO. 5:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations), Mr. G. K. Rao (holding DIN : 00058985), who was appointed as an Additional Director with effect from 24 May 2016, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Article

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115 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five (5) consecutive years commencing from 10 August 2016.”

By Order of the Board of Directors
For Pneumatic Holdings Limited



Aniket A. Deshpande
Company Secretary
Membership No. A 23094

Pune : 24 May 2016

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NOTE :

I. A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

II. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours before the time fixed for holding the meeting. Proxies shall not have any right to speak at the meeting.

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

III. The Statement setting out the material facts pursuant to Section 102 (1) of the Companies Act, 2013, ("the Act") in respect of Ordinary Business Item No. 3 and Special Business Item No. 5 to be transacted at this Annual General Meeting is annexed hereto and forms part of this Notice.

IV. Details pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations), in respect of Directors seeking appointment / re-appointment at this Annual General Meeting forms part of this Notice.

V. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from Monday, 8 August 2016 to Wednesday, 10 August 2016, both days inclusive.

VI. In order to get their dividend through National Electronic Clearing Service (NECS), members who are holding shares in physical form are requested to inform their bank account details such as the name of the bank, branch, its address, account number, 9 digit MICR code, IFSC code and type of account i.e. Savings or Current or Cash Credit etc. to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company having its office at 'Akshay' Complex, Block No. 202, 2nd Floor, Off Dhole Patil Road, Near Ganesh Temple, Pune 411 001. Shareholders holding shares in dematerialised form are requested to inform their bank account particulars to their respective Depository Participant and not to the Registrar and Share Transfer Agent / the Company. Those shareholders who do not opt for NECS facility may inform only Bank Account number and Bank name for printing the same on the dividend warrant to ensure safety.

Members who wish to avail the above facility are requested to submit required information to the Registrar and Share Transfer Agent.

VII. Members are requested to inform change in address or bank mandate to their respective Depository Participants with whom they are maintaining their demat accounts and to the Registrar and Share Transfer Agent i.e., Link Intime India Private Limited or the Company Secretary of the Company for the shares held in physical form by a written request duly signed by the member for receiving all communication in future.

VIII. In case members wish to ask for any information about accounts and operations of the Company, they are requested to send their queries in writing at least 7 days in advance of the date of the meeting so that the information can be made available at the time of the meeting.

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- IX. Members may avail of the facility of dematerialisation by opening depository accounts with the Depository Participants of either National Securities Depository Limited OR Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised.
- X. Members are requested to bring their attendance slip and copy of the Annual Report at the meeting.
- XI. Members are requested to register their e-mail addresses with Company / Registrar and Share Transfer Agent in case of holding of shares in physical form and with concerned Depository Participants in case of shares held in dematerialised form.
- XII. All documents referred to in the Notice or in the accompanying Explanatory Statement are available for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, between 10.00 a.m. to 12.00 noon, prior to the date of the Annual General Meeting and also available for inspection at the meeting.
- XIII. Pursuant to Section 72 of the Act read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH - 13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
- XIV. The Notice along with Annual Report will be sent electronically indicating the process and manner of e-voting to the members whose e-mail addresses are registered with the Depository Participants / Company. The physical copy of Notice along with Annual Report will be sent to those members whose e-mail addresses are not registered with the Depository Participants / Company indicating the process and manner of e-voting.

The members will be entitled to receive physical copy of Annual Reports for the Financial Year ended 31 March 2016, free of cost, upon sending a request to the Registrar and Share Transfer Agent or the Company Secretary of the Company. The Notice along with Annual Report will also be available on the Company's website **www.pneumaticholdings.com**

- XV. Voting through electronic means:-
 - i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") is provided by National Securities Depository Limited (NSDL).
 - ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

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- iv. The remote e-voting period commences on 7 August 2016 (9.00 a.m.) and ends on 9 August 2016 (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 of 3 August 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
- A. In case a member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company / the R & T Agent viz. Link Intime India Private Limited / Depository Participants(s)]:
- (i) Open e-mail and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Pneumatic Holdings Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to **mahesh.athavale@kanjcs.com** with a copy marked to **evoting@nsdl.co.in**
- B. In case a member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company / the R & T Agent viz. Link Intime India Private Limited / Depository Participants(s) or requesting physical copy] :

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- (i) Initial password is provided as below / at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD / PIN
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- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.

- vi In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the downloads section of **www.evoting.nsdl.com** or call on toll free no.: 1800-222-990.
- vii If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password / PIN for casting your vote.
- viii 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).
- ix The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3 August 2016.
- x Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 3 August 2016, may obtain the login ID and password by sending a request at **evoting@nsdl.co.in**
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on **www.evoting.nsdl.com** or contact NSDL at the following toll free no.: 1800-222-990.
- xi A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- xii A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- A person, who is not a member as on the cut-off date should treat this Notice for information purpose only.
- xiii. Mr. Mahesh Athavale, partner of M/s. Kanj & Associates, Practicing Company Secretaries, Pune, (Membership No. FCS 2412 CP No. 1488) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiv The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xv The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of

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the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- xvi The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company **www.pneumaticholdings.com** and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
- xvii Route map showing directions to reach to the venue of the 2nd Annual General Meeting is given at the end of this Notice as per the requirement of the Secretarial Standard - 2.

By Order of the Board of Directors
For Pneumatic Holdings Limited



Aniket A. Deshpande
Company Secretary
Membership No. A 23094

Pune : 24 May 2016

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

ANNEXURE TO THE NOTICE

As required by Section 102 (1) of the Companies Act, 2013, (the Act) and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) the following Statement sets out all material facts relating to Item No. 3 and 5 in the accompanying Notice of Annual General Meeting of the Company to be held on Wednesday, the 10th day of August 2016 at 3.30 p.m. at S. M. Joshi Socialist Foundation (S. M. Joshi Hall), S. No. 191/192, Navi Peth, Near Ganjave Chowk, Pune 411 030.

ITEM NO. 3 OF THE NOTICE:

Mr. Anil N. Alawani is a Chartered Accountant by profession. He has work experience of over 30 years in Import, Export and labour matter besides his core area of Finance, Taxation, Financial Restructuring and Company Law. His abilities in Corporate Tax Planning and Finance helped various organisations in which he was employee. He has retired as Director (Finance) from Kirloskar Oil Engines Limited on 31 August 2005.

Mr. Anil N. Alawani is a member of Audit Committee, Nomination and Remuneration Committee and Chairman of Stakeholders Relationship Committee.

Directorships / Committee memberships / Chairmanships of Mr. Anil N. Alawani in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman / Member
Kirloskar Ferrous Industries Limited	Director	Stakeholders Relationship Committee	Member
		Nomination and Remuneration Committee	Member
		Audit Committee	Member
		Finance Committee	Member
		Compensation Committee	Member
		Capex Planning Committee	Member
		Project Feasibility Committee	Chairman
Kirloskar Industries Limited	Director	Audit Committee	Member
		Corporate Social Responsibility Committee	Chairman
		Nomination and Remuneration Committee	Member
		Share Transfers' cum Shareholders' / Investors' Grievance and Stakeholders Relationship Committee	Chairman
Kothrud Power Equipment Limited	Director	---	
Kirloskar Integrated Technologies Private Limited	Director	---	

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Mr. Anil N. Alawani is holding 500 (0.01) equity shares of ₹ 10/- each of the Company.

Save and except, Mr. Anil N. Alawani and his relatives, to the extent of their shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 for approval by the members .

ITEM NO. 5 OF THE NOTICE:

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, appointed Mr. G. K. Rao (holding DIN : 00058985) as an Additional Independent Director with effect from 24 May 2016.

In terms of the provisions of Section 161(1) of the Companies Act, 2013, Mr. G. K. Rao would hold office up to the date of the Annual General Meeting. He is also proposed to be appointed as an Independent Director for a term of five consecutive years commencing from 10 August 2016, pursuant to Section 149 (including other applicable provisions, if any) of the Companies Act, 2013 and Rules made thereunder.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. G. K. Rao for the office of Director of the Company.

Mr. G. K. Rao is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, and has given his consent to act as a Director.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, an Independent Director can hold office for a term to five (5) consecutive years on the Board of a Company and as per Section 152 of the Companies Act, 2013, he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. G. K. Rao that he meets with the criteria of independence as prescribed under Sub - Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the Regulations).

In the opinion of the Board, Mr. G. K. Rao fulfills the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and Regulation 16 (1) (b) of the Regulations. Mr. G. K. Rao is independent of the management.

Mr. G. K. Rao (B.Com, A.C.A, I.C.I.I.) has held senior position in General Insurance Corporation of India for several years and has a vast experience in Finance and Insurance matters.

Directorships / Committee memberships / Chairmanships of Mr. G. K. Rao in other companies are as under:

Name of the Company	Board position held	Name of the Committees	Chairman / Member
Kirloskar Pneumatic Company Limited	Director	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		Stakeholders Relationship Committee	Chairman

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Mr. G. K. Rao is not holding any equity shares of the Company.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that he is appointed as an Independent Director.

Copy of the draft letter for appointment of Mr. G. K. Rao as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

The Statement may also be regarded as a disclosure under Regulation 36 (3) of the Regulations.

Save and except, Mr. G. K. Rao and his relatives, to the extent of their shareholding interest, if any, in the Company, none of other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, in the said resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

By Order of the Board of Directors
For Pneumatic Holdings Limited



Aniket A. Deshpande
Company Secretary
Membership No. A 23094

Pune : 24 May 2016

(For members holding shares in physical form)

Date :

To,
Link Intime India Private Limited
Unit : Pneumatic Holdings Limited
Block No. 202, 2nd Floor, Akshay Complex,
Near Ganesh Temple, Off Dhole Patil Road,
Pune - 411 001

Dear Sir,

Subject : Green Initiative in the Corporate Governance – registration of email address
Reference : Folio No.

I/we hereby give my / our consent to register the following email address(es) to receive documents such as, notice calling annual general meeting, annual report comprising of balancesheet, statement of profit and loss, cash flow statement, directors' report, auditors' report, etc. or to receive any other document prescribed under any law, through electronic mode.

EmailAddress :

Thanking you,

Yours faithfully,

TEAR HERE

Name :	Name :	Name :
Signature of First shareholder	Signature of Second shareholder	Signature of Third shareholder

TEAR HERE

(For members holding shares in electronic form)

Members, who hold shares in electronic form, are requested **to register email address with the Depository Participant**, by a written communication quoting your DP ID and Client ID, to receive documents such as, notice calling annual general meeting, annual report comprising of balancesheet, statement of profit and loss, cash flow statement, directors' report, auditors' report, etc. or to receive any other document prescribed under any law, through electronic mode.

