



KNR Constructions Limited

CIN: L74210DL1995PLC238364

Regd. Off. C-125, Anand Niketan, New Delhi – 110021

Corp. Off. KNR House, 3rd & 4th Floors, Plot No.114, Phase –I, Kavuri Hills, Hyderabad – 500033

Phone: +91 40 40268361 /62, Fax: +91 40 40268760

Website: www.knrcl.com, email investors@knrcl.com

POSTAL BALLOT NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Members,

Notice is hereby given that pursuant to the provisions of Section 110 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the Companies (Management and Administration) Rules, 2014 (hereinafter referred to as the 'Rules') (including any statutory modification(s) or amendment(s) thereto) the Company hereby seeks your approval through Postal Ballot for reappointment of Managing Director and Executive Director as detailed in the respective resolutions. The Resolutions and the relevant Statement pursuant to section 102 of the Act setting out the material facts and the reasons for the proposed resolutions are appended herewith along with a Postal Ballot Form for your consideration.

The Company has, in compliance with Rule 22(5) of the aforesaid Rules, appointed Mr. CH Veeranjanyulu, FCS, Company Secretary in whole time practice as Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Postal Ballot Form sent herewith and return the Form duly completed in the attached self-addressed postage prepaid envelope so as to reach the Scrutinizer on or before the close of the working hours i.e. by 6 P.M. on Tuesday, the 2nd February 2016. The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny. The result of the Postal Ballot will be announced by the Chairman or in his absence by any Director of the Company on Wednesday, the 3rd February 2016 at 11.00 A. M. at the Corporate Office of the Company and the resolutions will be taken as passed effectively on the date of announcement of result by the Chairman. The Notice of the Postal ballot has been placed on the website of the Company and the result of the Postal Ballot along with the Scrutinizer's Report will also be posted on the website of the Company (www.knrcl.com) besides communication to BSE and NSE where the equity shares of the Company are listed.

The Company is pleased to offer **e-voting facility** as an alternate to its members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. E-voting is optional. In case you desire to exercise your vote by using e-voting facility then you are required to carefully follow the instructions as given for e-voting printed on the reverse of the Postal Ballot Form.

SPECIAL BUSINESS:

ITEM NO. 1

RE-APPOINTMENT OF SHRI K NARASIMHA REDDY, AS MANAGING DIRECTOR

To consider and, if thought fit, pass the following resolutions as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of the Section 196, 197, 198 and 203 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 consent of members be accorded for reappointment of Shri K Narasimha Reddy as Managing Director of the Company for a further period of 5 years from 1st April 2016 i.e. upto 31st March 2021 on the remuneration and terms & conditions as mentioned in the Explanatory Statement annexed hereto.”

“RESOLVED FURTHER THAT pursuant to Section 197 and subject to all other applicable provisions of the Companies Act, 2013 the remuneration as set out in the enclosed Explanatory Statement be paid as minimum remuneration to Shri K Narasimha Reddy, Managing Director notwithstanding that in any financial year of the Company during his tenure as Managing Director, the Company has no profit or profits are inadequate.”

“RESOLVED FURTHER THAT Mr. M V Venkata Rao, Company Secretary of the Company be and is hereby authorized to take necessary steps as may be required for giving effect to this resolution.”

ITEM NO. 2

RE-APPOINTMENT OF SHRI K JALANDHAR REDDY, AS EXECUTIVE DIRECTOR

To consider and, if thought fit, pass the following resolutions as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions of the Section 196, 197 and 198 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 consent of members be accorded for reappointment of Shri K Jalandhar Reddy as Executive Director of the Company for a further period of 5 years from 1st April 2016 i.e. upto 31st March 2021 on the remuneration and terms & conditions as mentioned in the Explanatory Statement annexed hereto.”

“**RESOLVED FURTHER THAT** pursuant to Section 197 and subject to all other applicable provisions of the Companies Act, 2013 the remuneration as set out in the enclosed Explanatory Statement be paid as minimum remuneration to Shri K Jalandhar Reddy, Executive Director notwithstanding that in any financial year of the Company during his tenure as Executive Director, the Company has no profit or profits are inadequate.”

“**RESOLVED FURTHER THAT** Mr. M V Venkata Rao, Company Secretary of the Company be and is hereby authorized to take necessary steps as may be required for giving effect to this resolution.”

By Order of the Board of Directors

Place: Hyderabad
Date: 28.12.2015

M. V. VENKATA RAO
Company Secretary

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY SECTION 102 (2) OF THE COMPANIES ACT, 2013

ITEM NO: 1 to 2

Your Directors at their meeting held on 14th November 2015 have subject to the members' approval, appointed Shri K Narasimha Reddy as Managing Director and Shri K Jalandhar Reddy as Executive Director of the Company for further period of 5 Years on the remuneration and other terms and conditions as set out in the explanatory statement. Keeping in view the Contribution to the growth and development of the Company, your Board of Directors feels that their experience will be of immense benefit to the Company.

Proposed Terms of Re-appointment

Sl. No.	Name & Designation	Tenure of Office	Remuneration in Rs. Per Month
1	K Narasimha Reddy Managing Director	01.04.2016 to 31.03.2021	20,00,000
2.	K Jalandhar Reddy Executive Director	01.04.2016 to 31.03.2021	10,00,000

In addition to the above, they are entitled to the following benefits at the company's cost.

- i) **Medical Reimbursement:** Actual expenses incurred for self and Family shall be reimbursed subject to maximum of one month salary per annum.
- ii) **Club Fees:** This includes Admission and Membership Fee not exceeding Rs.50,000/- per annum
- iii) **Personal Accident Insurance:** Premium shall not exceed Rs. 20,000/- per annum.
- iv) **Provident Fund and Superannuation Fund:** Contribution towards Provident Fund and Superannuation Fund shall be as per the company's policy.
- v) **Gratuity:** Gratuity payable shall not exceed half a month's salary for each completed year of service.
- vi) Car for office use and Telephone facility at residence will be provided.

The whole time directors will not be entitled to sitting fee for attending meetings of the Board or of any Committee thereof.

Pursuant to Provisions of the Companies Act, 2013, consent of the members of the company is required by way of special resolution for the above purpose subjects.

The Board of Directors of the company recommends the Special Resolution for approval of the Shareholders.

By Order of the Board of Directors

Place: Hyderabad
Date: 28.12.2015

M. V. VENKATA RAO
Company Secretary

In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

The voting period begins on Sunday, 3rd January, 2016 (9.00 a.m. IST) and ends on Tuesday, 2nd February, 2016 (5.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 25th December, 2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

The Notice of Postal Ballot of the Company can be downloaded from www.cdslindia.com and www.knrc1.com

A. In case of members receiving e-mail (for Members whose e-mail addresses are registered with the Company/Depositories):

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on Shareholders
- (iii) Now 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.
- (vi) 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 shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequencenumber which is printed on Attendance Slip indicated in the PANField.
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.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii)

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <**KNR Constructions Limited**> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to 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 a 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.

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

B. In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

C. Other instructions:

- i. The voting rights of Members shall be in proportion to their shares of the paid – up equity share capital of the Company as on 25th December 2015.
- ii. Mr. CH Veeranjanyulu, FCS, Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- iii. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- iv. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.knrcil.com and on the website of CDSL and communicated to the BSE Limited (BSE), and the National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.
- vi. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. 25th December 2015 may follow the same procedure as mentioned above for e-Voting. However, if you are already registered with CDSL for remote e-voting then you can use your exiting password for casting your vote.