

To,
The Chairman
M/s. KNR Constructions Limited
Hyderabad

30th December, 2014

Dear Sir,

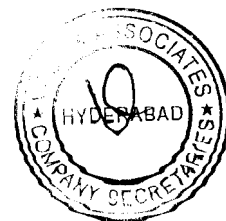
Sub: Passing of resolutions through postal Ballot.

Pursuant to the resolution passed by the Board of Directors of M/s. KNR Constructions Limited on 14th November, 2014, I have been appointed as scrutinizer to receive, process and scrutinize the postal ballot papers in respect of the Special Resolutions as circulated in the postal ballot notice dated 24th November, 2014

To enable wider participation of shareholders, pursuant to the provisions of section 108 of the Companies Act, 2013 (the act) and the rules framed there under and as required under the listing agreement, listed Companies are required to provide e-voting facility to their shareholders for all resolution to be passed at General Meeting or through postal ballot.

KNR Constructions Limited had therefore made arrangement with the system provider CDSL for providing system of recording votes of shareholders electronically through e-voting. KNR Constructions Limited had accordingly arranged through its Registrar and Transfer Agent M/s. Link Intime India Private Limited (RTA), Hereinafter referred to as RTA to set up the e-voting facility on the CDSL e-voting website: <https://www.evoting.india.com>.

KNR Constructions Limited through RTA uploaded the resolution together with the explanatory statement on which e-voting is required and for generating Electronic Voting Event Number (EVEN) by the system provider. The registered of members was made up, for the purpose of dispatch of postal ballots to the shareholders as of 14th November, 2014 (cutoff date).



Description of Special Resolutions:

1. Special Resolution for Increase of remuneration to Mr. K. Narasimha Reddy, Managing Director
2. Special Resolution for Increase of remuneration to Mr. K. Jalandhar Reddy, Executive Director
3. Special Resolution for Increase of remuneration to Mr. M. Rajesh Reddy, Executive Director

I report that the postal ballot notice date 24th November, 2014 under section 110 of the Companies Act, 2013 read with the relevant rules dispatched to 2010 shareholders in physical form along with self addressed prepaid business reply envelope on 28th November, 2014.

In addition to the above, postal ballot notices were also sent via electronic mode by the company, the system provider to the shareholders at their e-mail addresses registered with the Depository participants as per the data downloaded from the CDSL and NSDL as on 14th November, 2014 (cutoff date).

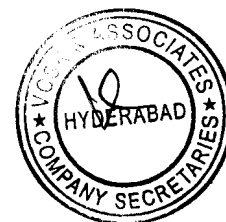
I report that I have received the postal ballot forms from the shares holders during the period starting from 29th November, 2014 to 29th December, 2014. All the postal ballot forms together with all votes cast by E-voting through CDSL received up to 29th December, 2014 being the last date fixed by the Company for receipt of the ballot forms/ e-voting were considered for my scrutiny.

On scrutiny, I report that 31(Thirty One) shareholders have exercised their vote through e-voting and 66 (Sixty Six) shareholders have exercised their votes through postal ballot forms in physical mode.

The voting was reckoned in proportion to votes exercised by the Members shares of voting rights on the paid up equity share capital of the company as on 14th November, 2014. The postal ballot notice was also placed on the website of the company during the period of voting i.e. 29th November, 2014 to 29th December, 2014.

The locked E-votes on the website of CDSL have been unblocked by me in the presence of two witnesses namely Ms. Ruhi Jain and Mr. Siva Prasad J who are not employees of the company. The e-votes were reconciled with the records maintained by the Company / Registrar and Transfer Agents of the Company.

The summary of the postal ballot is as per the attached annexure.



Result of the Postal Ballot:

The special resolution set out in the notice of the postal ballot dated 24th November, 2014 require more than three-fourths of the number of votes to be cast in favour of the resolution in order to pass the resolution. I report that the Special Resolution has been passed by the shareholders by the requisite majority.

Thanking you,

Yours faithfully

For VCSR & Associates
Company Secretaries




(Ch. Veeranjayulu)
Partner
CP No. 6392