

PENNAR ENGINEERED BUILDING SYSTEMS LIMITED

CIN No. L45400TG 2008PLC057182

Regd. Office: Floor No. 9, DHFLVC Silicon Towers, Kondapur, Hyderabad - 500084

Tel No. 40 4021 0525, e-Mail ID : cs@pebspennar.com

Website: www.pebspennar.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014]

Dear Members,

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013 (the act), if any, read together with the Companies (Management and Administration) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), that the resolution appended below is proposed to be passed as Special Resolution by way of Postal Ballot/evoting:

SPECIAL BUSINESS :

Item No # 1 To approve Company share of Increase of Initial Public Offer (IPO) Expenses

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

"RESOLVED THAT pursuant to provisions of the Companies Act 2013 and SEBI (LODR) Regulations 2015 any other regulations and/or provisions to the extent applicable for time being in force, the consent of the shareholders be and is hereby accorded for the Company share of increase in issue expenses of IPO to Rs. 37.13 Lakhs from total increase in issue expenses of Rs. 1 Crore.

"RESOLVED FURTHER THAT any one Director or Company Secretary of the Company be and is hereby singly and severally authorized to do all the acts, deeds and things which are necessary to give effect to the said resolution."

Item No # 2 To confirm the appointment of Mr. Eric James Brown (DIN: 07670880) as Director who was appointed as an Additional Director and in this regard to consider and if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:

"RESOLVED THAT Pursuant to the provisions of Section 149, 161 of the Companies Act, 2013 and the Rules made thereunder and subject to the Articles of Association of the Company, Mr. Eric James Brown, who was appointed as an Additional Non-Executive Independent Director by the Board of Directors with effect from 13.12.2016 and who holds office until the date of the ensuing Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Eric James Brown as a candidate for the office of a director of the Company, be and is hereby appointed as a director of the Company not liable to retire by rotation."

Item No # 3 To appoint Mr. Eric James Brown (DIN: 07670880) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the Companies Act, 2013, subject to such other laws, rules and provisions as may be applicable from time to time and SEBI (LODR) Regulations 2015, Mr. Eric James Brown (DIN: 07670880) who holds office up to the date of the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Mr. Eric James Brown (DIN: 07670880) as a candidate for the office of a director of the Company, who meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 be and is hereby appointed as an Independent Director of the Company for a term of five years with effect from 13.12.2016 to 12.12.2021 not liable to retirement by rotation."

Item No # 4 To serve documents on members and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company may serve documents on its members, by sending the document(s) that he/ she is entitled to receive as a member under the Act by post or by registered post or by speed post or by courier or by such electronic or other mode as may be prescribed depending on event and circumstance of each case from time to time.

"RESOLVED FURTHER THAT the Board of Directors of the Company or its duly constituted committee be and is hereby authorized to decide, in respect of any advance request for sending documents provided at least one week in advance of the despatch of the document by the company along with requisite fee duly received by the company and that no such request shall be entertained by the company post-despatch of such documents by the company to the member, the charges payable for such delivery, as prescribed below for each mode of dispatch.

Sl. No.	Mode	Minimum Rate per document at the minimum slab of the weight of the document in each category in Rs.	
		Within India	International
1.	Ordinary Post	15	1.2 times of the actual charges in each case
2.	Registered Post	100	
3.	Speed Post	100	
4.	Courier	100	
5.	Electronic mail (email)	20	20.00

“RESOLVED FURTHER THAT the Board of Directors of the Company or its duly constituted committee be and is hereby authorized to amend or alter such charges from time to time either keeping in view the change of charges as applicable to that mode or in any situation so warrants and to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Date: 13.12.2016
Place: Hyderabad
Registered Office: Floor 3,
DHFLVC Silicon Towers,
Kondapur, Hyderabad -500084

Gopal Ladda
Company Secretary and Compliance Officer
ACS : 34522

NOTES :

1) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations 2015, the Members are informed that the Company is pleased to offer ‘Remote e-voting’ facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Karvy Computershare Private Limited (Karvy) to facilitate remote e-voting. Remote e-voting is optional and Members shall have the option to vote either through remote e-voting or through Postal Ballot Form. The detailed procedure with respect to remote e-voting is mentioned below. For the aforesaid purpose, the Board of Directors has appointed S. Chidambaram, Practicing Company Secretary (Membership No: 2286), as Scrutinizer for scrutinizing the Remote e-voting process as well as voting through Postal Ballot Form in a fair and transparent manner.

2) The Statement as required under Section 102 of the Companies Act, 2013 is annexed to this Notice. A Postal Ballot Form is also enclosed.

3) The voting commences on January 17, 2017. The Members are requested to note that:

- a) Duly completed Postal Ballot Form should reach the Scrutinizer before 5:30 p.m. on February 16, 2017. Postal Ballot Forms received after the said time and date will be strictly treated as if the reply from such Members has not been received.
- b) Similarly, the Remote e-voting needs to be exercised before 5:30 p.m. on February 16, 2017. Please note that Remote e-voting module will be disabled for Voting after the said time and date.

4) Any Member who has not received the Postal Ballot Form may download it from the website of the Company www.pebspennar.com or write to the Company/ Registrar & Share Transfer Agents (RTA) of the Company for obtaining a duplicate form.

5) The Member cannot vote both by post and e-voting and if he votes both by post and e-voting, his voting by post shall be treated as invalid.

6) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date of January 06, 2017 only shall be entitled to avail the facility of remote e-voting or Voting by Postal Ballot.

7) A person who is not a Member as on the cut-off date of January 06, 2017 should treat this Notice for information purposes only.

8) The Notice is being sent to all the Members whose names appear in the Register of Members / Beneficiary Position maintained by the Depositories as on January 06, 2017. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the Members as on January 06, 2017.

9) In accordance with the provisions of the Companies Act, 2013, read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, the Postal Ballot Notice is being sent by email to those Members who have registered their email addresses with their Depository Participants (in case of shares held in demat form) or with the Company's Registrar and Share Transfer Agent (in case of shares held in physical form). For Members whose email IDs are not registered, physical copies of the Postal Ballot Notice are being sent by permitted mode (i.e. through registered or speed post or through courier), along with a postage-prepaid self-addressed Business Reply Envelope.

10) Members holding shares in physical form should inform the Company's Registrar and Transfer Agents, M/s. Karvy Computershare Private Limited of any change in their registered address, mandate/bank details/e-mail address. Similarly, Members holding shares in electronic form should inform their Depository Participants (DP) of any change in their registered address, mandate/bank details/e-mail address. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and for their convenience.

11) In the event of any grievance relating to remote e-voting, the Members/Beneficial owners may contact the following: Mr. Rajeev Kumar, Deputy Manager Corporate Registry, Karvy Computershare Private Limited, E-mail: rajeev.kr@karvy.com, Helpdesk: 040 - 67161524.

12) The Resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting i.e. February 16, 2017.

Declaration of Results:

1) The Scrutinizer shall within Seven days of conclusion of ballot process i.e. February 23, 2017 submit the Consolidated Scrutinizer's Report of the total votes cast in favour or against and invalid votes, if any, to the Chairman of the Company or any other Director authorized by the Board, who shall countersign the same and declare the result of the voting forthwith. Further, the Result of the Postal Ballot will be announced prior to February 23, 2017 at the Registered Office of the Company.

2) The Result of the Postal Ballot will be declared by the Chairman or any other Director of the Company in the presence of the Company Secretary, based on the Scrutinizer's Report after taking into consideration the votes cast through remote e-voting and Vote cast through Postal Ballot Form and the same would be displayed on the website of the Company www.pebspennar.com and the Agency (Karvy) post intimation to Stock Exchanges. Further, the results will be displayed on the Notice Board of the Company at its Registered Office.

Voting through electronic means:

The instructions for e-voting are as follows :

1. Members whose email addresses are registered with the Company / Depository Participant(s) will receive an email from Karvy informing them of their User-ID and password. Once the Member receives the email, he or she will need to go through the following steps to complete the e-voting process :

a. Open email and open the PDF file titled 'Pennar Engineered Building Systems Limited e-voting.pdf', using your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that this password is an initial password.

b. Launch your internet browser by typing the following URL: <https://evoting.karvy.com>

c. Click on Shareholder - Login.

d. Enter the user ID and password (the initial password noted in step (a) above). Click on the Login.

e. The Password change menu will appear. Change the password to a password of your choice. The new password should comprise of a minimum of 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, e-mail etc., on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.

f. The homepage of e-voting will open. Click on 'e-voting: Active Voting Cycles'.

g. Select 'EVEN' (E Voting Event Number) of Pennar Engineered Building Systems Limited.

h. On the voting page, enter the number of shares as on the cut off date under FOR/AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.

i. Shareholders holding multiple folios / demat account shall choose the voting process separately for each folio demat account.

j. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, shareholders can login any number of times till they have voted on the resolution.

k. Upon confirmation, the message 'Vote cast successfully' will be displayed.

l. Once you have voted on a resolution, you will not be allowed to modify your vote.

m. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send a scanned copy (PDF / JPG Format) of the relevant Board resolution / authorization letter etc., together with attested specimen signature of the authorized signatory / signatories who are authorized to vote, to the Scrutinizer at e-mail id schid285@gmail.com They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned document should be in the naming format "Corporate Name_EVEN NO".

2. For Members whose email IDs are not registered with the Company/depository participant(s) and who receive the physical postal ballotforms, the following instructions may be noted:

a. In case of Members receiving physical copy of the Notice of Postal Ballot :

- Launch internet browser by typing the URL:<https://evoting.karvy.com>

- Enter the login credentials (i.e. User ID and password). If you are logging in for the first time, please enter the User ID and password mentioned in the Postal Ballot Form. After entering these details appropriately, click on "LOGIN".

b. Please follow all the steps from e. to k. mentioned above, to cast your vote successfully.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the 'Downloads' section of <https://evoting.karvy.com> or contact Karvy on telephone No.18003454001 (toll free) or (040) 44655000.

4. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.

5. If you are already registered with Karvy for e-voting, then you can use your existing user ID and password for casting your vote.

6. The e-voting period commences on January 17, 2017 (9:00 A.M.) and ends on 16th February, 2017 (5:30 P.M.). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date, i.e. January 06, 2017, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by a Member, he or she will not be allowed to change it subsequently.

ANNEXURE TO THE NOTICE
(The Statement under Section 102 of the Companies Act, 2013)

Item No # 1 Approve Company share of Increase of Initial Public Offer (IPO) Expenses

The Company has completed its IPO in the year 2015, the issue expenses for the same is increased by Rs. 1.00 Crore totally the issue expenses to Rs. 15.03 Crores, such increase in issue expenses is due to increase of underwriting fees, selling commission, printing and stationery, advertising and marketing expenses and BRLM fees etc. The increased issue expenses will be paid by and shared between the Company and selling shareholders in proportion to the extent of equity shares offered by them during the IPO (out of the total increase expenses the Company share of expenses is Rs. 37.13 Lakhs and selling shareholders expenses share is Rs. 62.87 Lakhs which is withheld by the Company).

Accordingly pursuant to the provisions of the Companies Act 2013 and SEBI (LODR) Regulations 2015 and any other regulations and/or provisions to the extent applicable for time being in force, such increase in issue expenses to be approved the Board and then shareholders of the Company through special resolution by way of Postal Ballot.

The Directors therefore, recommend the resolution for approval of Shareholders by means of Postal Ballot.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested in the aforesaid special resolution.

Item # 2&3 Appointment of Mr. Eric James Brown (DIN: 07670880) as an Independent Director

The Board, vide circular resolution dated December 13, 2016 appointed Mr. Eric James Brown as an Additional Non-Executive Independent Director of the Company with effect from 13th December, 2016, pursuant to Section 161 of the Companies Act, 2013, read with Article 44 of the Articles of Association of the Company.

His induction on the Board as an Independent Director would be of immense benefit to the company. The Names of companies in which Mr. Eric James Brown holds directorship and the membership of the committees of the Board are NIL.

Profile of Mr. Eric James Brown

Eric Brown is Executive Vice President and CIO of NCI Group, Inc. since December 2007 and Vice President and CIO since June 2004. Before joining NCI, Mr. Brown was CIO of the Punahou School in Honolulu, Hawaii from 2002 until he joined NCI. From 2000 to 2002, Mr. Brown was CIO of Petrocosm Corporation. From 1992 to 2000, he served as a Director at KPMG Consulting LLC. He co-authored *The Effective CIO*, published by Taylor and Francis in January 2009, and was named one of Computerworld Magazines Top 100 IT Leaders for 2012.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Eric James Brown for the office of director.

The Company has received from Mr. Eric James Brown (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Eric James Brown as an Independent Director of the Company up to 12.12.2021 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Eric James Brown, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Eric James Brown as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days.

The Board recommends the resolution set out at item no. 2&3 of the notice for your approval. No director, key managerial personnel or their relatives, except Mr. Eric James Brown, to whom the resolution relates, is interested or concerned in the resolution.

Item # 4 Service of Documents on Members

Section 20 of the Companies Act, 2013 deals with service of documents by the Company, inter-alia, enables the Company to dispatch any document to a member as per his mode of request subject to deposit of such fee as determined by the members in the annual general meeting. Accordingly, consent of the members is sought for passing an Ordinary Resolution authorizing the Board of Directors to decide the fee payable as set out at Item No. 4 of the Notice on dispatch of document as per the choice of mode selected by any member of the Company. The Board recommends the resolution for approval of the members in the best interest of the Company. The rate indicated in the resolution is minimum rate per document at the minimum slab of the weight in the respective category of each of mode dispatch as mentioned thereat.

The Board recommends the resolution for your approval. None of the Directors, key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors

Date: 13.12.2016
Place: Hyderabad
Registered Office: Floor 3,
DHFLVC Silicon Towers,
Kondapur, Hyderabad - 500084

Gopal Ladda
Company Secretary and Compliance Officer
ACS : 34522