



THE KCP LIMITED

CIN: L65991TN1941PLC001128

"Ramakrishna Buildings", 2, Dr. P.V. Cherian Crescent, Egmore, Chennai - 600 008.
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Notice of Postal Ballot pursuant to Section 110 of the Companies Act, 2013

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment there of for the time being in force and subject to other applicable laws and regulations, that the resolutions appended below for **Revision in remuneration of Dr.V.L.IndiraDutt, Managing Director and Smt. V.Kavitha Dutt, Joint Managing Director of the Company** are proposed to be passed by the Members through Postal Ballot.

The explanatory statement pursuant to Sections 102 and 110 of the Act pertaining to the aforesaid resolutions setting out the material facts concerning the proposal and the reasons thereof are annexed hereto with the Postal Ballot Form for your consideration.

The members are requested to carefully read the instructions given in the Notice and return the Postal Ballot Form duly completed in all respects in the enclosed self-addressed postage pre-paid envelope, so as to reach the scrutinizer at the Registered Office of the Company on or before the close of working hours on **Monday, the 24th day of December, 2018** and Ballots received after that date shall be treated as if the reply from the shareholders has not been received.

As required under the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act and the rules as applicable in that regard and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing e-voting facility through National Securities Depository Limited (NSDL). Accordingly, instead of returning Postal Ballot Form, members may choose to cast their vote electronically through the NSDL e-voting platform. Instructions on e-voting are enumerated as part of the Notice. Members opting for e-voting are requested to cast their vote before 5.00 PM(IST) on **Monday, the 24th day of December, 2018** as NSDL will disable e-voting on the resolutions thereafter.

The Board of Directors have appointed Sri.R.Balasubramaniam (FCS : 2397) Practicing Company Secretary, Chennai, to act as the scrutinizer for conducting the postal ballot process, in a fair and transparent manner.

The scrutinizer will submit his report after completion of the scrutiny and the results of the voting by Postal Ballot will be announced on **Friday, the 28th day of December, 2018** at the Registered Office of the Company and the results declared along with the Scrutinizer's Report shall be placed on the Company's website **www.kcp.co.in** and NSDL website **www.evoting.nsdl.com**.

SPECIAL BUSINESS:**1. To approve the Revision in remuneration of Dr. V.L. Indira Dutt, Managing Director of the Company.**

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

“**RESOLVED THAT** in partial modification to earlier resolution passed by the shareholders through Postal Ballot on 12th January, 2017 and pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to other requisite approvals, if any, consent of the Members be and is hereby accorded to pay revised remuneration to Dr. V.L. Indira Dutt, (DIN : 00139883) Managing Director of the Company w.e.f 1st January, 2019 for remaining period of the term of her office as stated below and for Payment of Overall maximum Managerial Remuneration exceeding 11% of the Net Profits of the Company.

I	SALARY	10,00,000/- per month(Excluding perquisites).
II	PERQUISITES	
	1. Medical Reimbursement	Rs. 40,000/- per annum for self and family.
	2. Club Fees	Two clubs
	3. Personal Accident Insurance.	As per Company Rules.
	4. Medical Insurance	Rs.500,000/- per annum for self and family.
	5. Provident Fund	12% of salary as Provident Fund contribution
	6. Gratuity.	Gratuity payable at a rate not exceeding half a month salary for each completed year of service
	7. Car and Telephones.	Will be provided with one or more cars and one or more Mobile phones including hand held email devises and telephones at her residence or such other places as necessary for use in connection with the Company's business.
	8. Encashment of Leave.	Accumulated leave (as per the company policy) can be encashed at the end of the tenure.
	9. Leave travel concession.	Rs.40,000 per annum
III	COMMISSION	Remuneration by way of commission on net profits in addition to salary and perquisites is also payable. The amount of salary, perquisites and commission in aggregate is subject to 3% of the net profits of the Company in a financial year computed in accordance with the provisions of Section 198 of the Companies Act, 2013.
IV	MINIMUM REMUNERATION	Where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits computed in accordance with Section 198 of the Companies Act 2013 are inadequate the Company will pay remuneration by way of Salary and perquisites as specified above subject to the provisions of Schedule V of the Companies Act, 2013.

“**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and to resolve and settle all questions, difficulties or doubts that may arise with regard to the above resolution and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit.”

2. **To approve the Revision in remuneration of Smt. V.Kavitha Dutt, Joint Managing Director of the Company.**

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

“**RESOLVED THAT** in partial modification to earlier resolution passed by the shareholders through Postal Ballot on 12th January, 2017 and pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013 and subject to other requisite approvals, if any, consent of the Members be and is hereby accorded to pay revised remuneration to Smt. V.Kavitha Dutt (DIN : 00139274), Joint Managing Director of the Company w.e.f 1st January, 2019 for remaining period of the term of her office as stated below and for Payment of Overall maximum Managerial Remuneration exceeding 11% of the Net Profits of the Company.

I	SALARY	Rs.800,000/-per month(Excluding perquisites).
II	PERQUISITES	
	1. Housing	30% of salary per month will be HRA
	2. Medical Reimbursement	Rs.40,000 per annum for self and family.
	3. Personal Accident Insurance	As per Company Rules.
	4. Medical Insurance	Rs.500,000/- per annum for self and family.
	5. Club Fees	Two clubs
	6. Provident Fund	12% of salary as Provident Fund contribution
	7. Superannuation Fund/Annuity Fund	15% of salary as Superannuation Fund contribution
	8. Gratuity	Gratuity payable at a rate not exceeding half a month salary for each completed year of service
	9. Car and Telephones	Will be provided with one or more cars and one or more Mobile phones including hand held email devises and telephones at her residence or such other places as necessary for use in connection with the Company's business.
	10. Encashment of leave	Accumulated leave (as per the company policy) can be en-cashed at the end of the tenure.
	11. Leave travel concession.	Rs.40,000 per annum.

III	COMMISSION	Remuneration by way of commission on net profits in addition to salary and perquisites is also payable. The amount of salary, perquisites and commission in aggregate is subject to 2.5% of the net profits of the Company in a financial year computed in accordance with the provisions of Section 198 of the Companies Act, 2013.
IV	MINIMUM REMUNERATION	Where in any financial year during the currency of the tenure of the Joint Managing Director, the Company has no profits or its profits computed in accordance with Section 198 of the Companies Act 2013 are inadequate the Company will pay remuneration by way of Salary and perquisites as specified above subject to the provisions of Schedule V of the Companies Act, 2013.

“**FURTHER RESOLVED THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and to resolve and settle all questions, difficulties or doubts that may arise with regard to the above resolution and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit.”

Place: Chennai
Date: November 12, 2018

For and on behalf of the Board of Directors
(V.L.Dutt)
Executive Chairman

Notes:

1. The relative explanatory statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business set out in the notice is annexed hereto.
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 National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on **Friday, the 16th day of November, 2018**. The Postal Ballot Notice is being sent to Members in electronic form to the e-mail IDs registered with their Depository Participant (in case of electronic shareholding)/the Company’s Registrar and Share Transfer Agents (RTA) (in case of physical shareholding). In case of Members whose e-mail ID is not registered, physical copy of Postal Ballot Notice and Form is being sent by permitted mode along with postage pre-paid self-addressed BusinessReply Envelope (BRE).
3. The Members whose name appears on the Register of Members/List of Beneficial Owners as on **Friday, the 16th day of November, 2018** will be considered for the purpose of voting.
4. Resolution passed by the Members through Postal Ballot are deemed to have been passed as if the same have been passed at a general meeting of the Members.
5. The Members can opt for only one mode of voting, i.e., either by physical ballot form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical postal ballot form will be treated as invalid.

6. In case a Member is desirous of obtaining a duplicate copy of a Postal Ballot Form, he/she may send an e-mail to investor@kcp.co.in. The RTA/Company shall forward the same along with postage pre-paid self-addressed BRE to the Member.
7. The shareholders are requested to carefully read the instructions printed in the attached postal ballot form. The postal ballot form, duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope directly to the Scrutinizer so as to reach the Scrutinizer not later than 05.00 P.M. (IST) on **Monday, the 24th day of December, 2018**. Any postal ballot form received after this date shall be treated as if the reply from the shareholders has not been received.
8. The shareholders are requested to exercise their voting rights by using the attached postal ballot form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the postal ballot form may apply to the Company and obtain a duplicate thereof.
9. The Scrutinizer will submit his report to either Dr.V.L.Dutt, Executive Chairman or Dr.V.L. Indira Dutt, Managing Director of the Company after completion of the scrutiny and the results of the postal ballot will be announced on **Friday, the 28th day of December, 2018**.

10) Voting through electronic means (E-Voting) :

In compliance with Regulation 44 of the SEBI Listing Obligation and Disclosure Requirements, 2015 (the "Listing Regulations") and Section 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, 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 post. The company has engaged the services of NSDL for the purpose of providing e-voting facility to all its Members.

The instructions for e-voting are as follows:

1. Members whose email addresses are registered with the depository participant(s) will receive an email from NSDL 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 "The KCP 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 and type the following URL: <http://www.evoting.nsdl.com>. Click on shareholder – login.
 - c. Enter the user ID and password (as mentioned in step 1.a or provided in the physical Postal Ballot Form). Click on Login.
 - d. The Password change menu will appear. Change the Password to a Password of your choice. The new password should have a minimum of 8 digits / characters or a combination thereof. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - e. The homepage of e-voting will open. Click on e-voting: Active Voting Cycles.
 - f. Select "EVEN (E-voting Event Number) of The KCP Limited.
 - g. Now you are ready for e-voting as the "Cast Vote" page opens.
 - h. Cast your vote by selecting the option of your choice and click on "Submit", and also remember to "Confirm when prompted".
 - i. On confirmation, the message "Vote Cast successfully" will be displayed.

- j. After you have voted on a resolution once, you will not be allowed to modify your vote.
 - k. 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(ies) who is / are authorized to vote, to the Scrutinizer via email to balu_comsec@yahoo.com, with a copy marked to evoting@nsdl.co.in.
2. For members whose email IDs are not registered with Depository Participant(s) and who receive the physical Postal Ballot Forms, the following instructions may be noted:
 - a. The initial user ID and password is provided at the bottom of the Postal Ballot Form.
 - b. Please follow the instructions from (b to k) as mentioned in step 1 to cast your vote.
 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 www.evoting.nsdl.com.
 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 User Details / Password" Option available on the site to reset the password.
 5. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 6. The e-voting period commences on Saturday, November 24th, 2018 (09.00 hours IST) and ends on December, 24th, 2018 (17.00 hours IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the relevant date i.e. Friday, November 16th, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
 7. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the relevant date i.e. Friday, November 16, 2018. Voting rights in the postal ballot / e-voting cannot be exercised by a proxy, though corporate and institutional shareholders shall be entitled to vote through their authorized representatives with proof of their authorization.
 8. In case of any difficulty in voting, the Shareholders may contact Sri.Y.Vijayakumar, Company Secretary at phone no.044-66772622 or email at vijaycs@kcp.co.in.

Explanatory Statement under Section 102 of the Companies Act, 2013

ITEM No.1

Dr.V.L.Indira Dutt, aged 78 years has a B.A (Economics) from Madras University and has over 23 years of experience and has ably supported the Executive Chairman in the strategic planning & direction of the operations of the company and has personally contributed towards the growth and operations of the Cement Plants at Macherla and Mukthiyala.

Dr.V.L.Indira Dutt was appointed as Managing Director of the Company with effect from 1st July, 2017 for a period of 3 years

Presently she serves as Director of FivesCail KCP Limited, Velagapudi Foundation, KCP Vietnam Industries Limited, V.Ramakrishna Sons Private Limited. She is the President of the World Telugu Federation (WTF) and Chairperson of Andhra Chamber of Commerce.

Dr.V.L.Indira Dutt is the Chairperson of the Corporate Social Responsibility committee and member of the Finance committee and Risk Management committees of the company.

The Board of Directors at their meeting held on November, 12, 2018 have passed a resolution for revision of the remuneration payable to Dr.V.L.Indira Dutt, effective January 1, 2019, benchmarking it to the remuneration of the CEOs or other Wholetime Directors placed in the similar industry, subject to the approval of the Shareholders of the Company, after taking into consideration recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company.

The Companies (Amendment) Act, 2017 brought changes in the provisions of Section 197 and Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by removing the requirement of Central Government approval for payment of remuneration in excess of 11% of net profits of the company and also increased the limits of yearly Managerial remuneration in case of no profit or inadequate profit.

The Companies Amendment Act, 2017 replaces the Central Government approval with the requirement of obtaining shareholders' approval through a special resolution.

Approval of the share holders is therefore being sought for the revision of remuneration of Dr.V.L.Indira Dutt, Managing Director of the company as specified in the resolution and for payment of overall managerial remuneration in excess of 11% of net profits of the company computed in accordance with Section 198 of the Companies Act, 2013.

The terms of remuneration as set out in the Resolution are in accordance with the applicable provisions of Companies Act,2013, Rules made there under read with Schedule V to the Companies Act,2013.

Your Directors commend the resolution for your approval.

Dr.V.L.Indira Dutt holds 34,37,781 Equity Shares in the Company

None of the Directors of the Company, Key Managerial Personnel (KMP) and their relatives except Dr.V.L.Dutt, Dr.V.L.Indira Dutt, and Smt.V.Kavitha Dutt is/are concerned or interested in the resolution.

The resolution set out in the accompanying Notice together with this Explanatory Statement is and should be treated as an abstract of the written memorandum executed between the Company and Dr.V.L.IndiraDutt, under Section 190 of the Act and the same is hereby circulated to the Shareholders of the Company.

ITEM No.2

Smt.V.Kavitha Dutt, aged 47 years is a graduate in Business Management (BBA) with specialization in International Business from Cedar Crest College, Allentown, Pennsylvania. She also holds a Post-Graduate Diploma in Human Resources from New York University (NYU), New York.

Smt. V.Kavitha Dutt was appointed as Joint Managing Director of the company with effect from 1st July 2017 for a period of 3 years.

She has over 18 years' experience and has significantly contributed at all levels of management including in particular overseeing new projects, financial and human resources management besides steering budgetary policies and review procedures for effective monitoring and follow up.

Presently she serves as Director on the Boards of DCM Shriram Industries Limited, ABI Showatech (India) Limited, V Ramakrishna Sons Private Limited, KCP Vietnam Industries Limited, Velagapudi Foundation and Chennai Willington Corporate Foundation.

She is a Member of Young Presidents' Organization,(YPO).She was the President of FICCI Ladies Organization (FLO).

Smt.V. Kavitha Dutt is the Chairperson of the Risk Management committee and member of the Audit committee, Corporate Social Responsibility committee, Finance committee and Innovation and Best practices committees of the company.

The Board of Directors at their meeting held on November, 12, 2018 have passed a resolution for revision of the remuneration payable to Smt. V. Kavitha Dutt, effective from January 1, 2019, benchmarking it to the remuneration paid of the CEOs or other Wholetime Directors placed in the similar industry, subject to the approval of the Shareholders of the Company, after taking into consideration recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company.

The Companies (Amendment) Act, 2017 brought changes in the provisions of Section 197 and Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by removing the requirement of Central Government approval for payment of remuneration in excess of 11% of net profits of the company and also increased the limits of yearly Managerial remuneration in case of no profit or inadequate profit.

The Companies Amendment Act, 2017 replaces the Central Government approval with the requirement of obtaining shareholders' approval through a special resolution.

Approval of the share holders is therefore being sought for the revision of remuneration of Smt. V. Kavitha Dutt, Joint Managing Director of the company as specified in the resolution and for payment of overall managerial remuneration in excess of 11% of net profits of the company computed in accordance with Section 198 of the Companies Act, 2013.

The terms of remuneration as set out in the Resolution are in accordance with the applicable provisions of Companies Act,2013, Rules made there under read with Schedule V to the Companies Act,2013.

Smt.V.Kavitha Dutt holds 12,00,000 Equity Shares in the Company

Your Directors commend the resolution for your approval.

None of the Directors of the Company, Key Managerial Personnel (KMP) and their relatives except Dr.V.L.Dutt, Dr.V.L.Indira Dutt and Smt.V.Kavitha Dutt is/are concerned or interested in the resolution.

The resolution set out in the accompanying Notice together with this Explanatory Statement is and should be treated as an abstract of the written memorandum executed between the Company and Smt.V. Kavitha Dutt, under Section 190 of the Act and the same is hereby circulated to the Shareholders of the Company.

Date: November 12, 2018
Place: Chennai

For and on behalf of the Board of Directors
(V.L.Dutt)
Executive Chairman