

UNDER THE COMPANIES ACT, 1956

(1 OF 1956)

COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION

OF

KELLTON TECH SOLUTIONS LIMITED*

* (The Name of Company was changed from **VMF SOFT TECH LIMITED** to **KELLTON TECH SOLUTIONS LIMITED**, pursuant to approval of the Scheme of Arrangement and Amalgamation by High Court of Andhra Pradesh)

PRELIMINARY

1. The regulations contained in Table 'F' of the Companies Act, 2013 shall apply to this Company except in so far as they have been specifically excluded by/or under these articles.
2. The provisions of the Companies Act, 2013, and / or any statutory modifications thereof at any time shall apply to the Company. Where in the construction or interpretation of any of the following regulations it is found that the same are inconsistent or repugnant to the provisions of the aforesaid Act, the provisions of the Companies Act, 2013, with statutory modifications thereof shall apply.

Words and expressions contained in these regulations shall bear the same meaning as in the Companies Act, or any statutory modification thereof.

- a) "The Company" means **KELLTON TECH SOLUTIONS LIMITED**, its assigns, substitutes and successors, as well as any concern whether limited or otherwise, with which it might amalgamate or to which transfer its business voluntarily or by operation of law.
- b) "The Act" means "the Companies Act, 1956" to the extent applicable and "the Companies Act, 2013" as amended from time to time and statutory modifications thereof.
- c) "The Articles" means the Articles of Association of the Company.
- d) "The Memorandum" means the Memorandum of Association of the Company.
- e) "The Office" means the Registered Office for the time being of the Company.
- f) "The Register" means the Register of Members to be kept pursuant to the Act.
- g) "Month" means English Calendar Month.
- h) "Member(s) or Shareholder(s)" - unless otherwise provided, means the duly registered holder, from time to time, of the shares of the Company and includes the subscribers to the

** *Amended vide Special Resolution passed on 02/07/2015 through postal ballot and e-voting*

Memorandum of Association of the Company and also one whose name is entered as Beneficial Owner of the shares in the records of a depository.

- i) "The Managing Director" means the Managing Director for the time being of the Company.
- j) "In Writing" or "Written" means and includes words printed, lithographed, represented or reproduced in any mode in a visible form.
- k) "The Directors" means the Directors for the time being of the Company and includes alternate Directors.
- l) "Whole time Director / Executive Director" means the Whole time Director for the time being of the Company.
- m) "The seal" means the Common Seal for the time being of the Company
- n) "Persons" includes Corporates and individuals
- o) "Relative" has the meaning assigned to it by section 2(77) of the Act
- p) "Securities" has the meaning assigned to it by section 2(81) of the Act
- q) "In writing" or "written" includes printing, lithography and other modes of representing or reproducing words in visible form.
- r) "Depositories Act" shall mean the Depositories Act, 1996 and include where the context so admits, any re-enactment or statutory modification thereof for the time being in force.
- s) "Depository" shall have the meaning assigned thereto by Clause (e) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.
- t) "Beneficial Owner" means a person or persons as defined in Section 2 of the Depositories Act and whose name is recorded as such with a depository.
- u) "Capital" means the capital for the time being raised or authorised to be raised for the purpose of the Company.
- v) "Paid-up" means and includes credited as paid-up.
- w) "Dividend" includes Interim Dividend.
- x) "Year" means the "Financial Year" shall have the meaning assigned thereto by section 2(41) of the Act.
- y) "Annual General Meeting" means a general meeting of members held in accordance with the provisions of section 96 of the Act or such other relevant provisions of the Act or Acts related to incorporated companies for the time being in force in India.
- z) "Extra-ordinary Meeting" means an Extra-ordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
- aa) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto respectively under section 2(63) of the Act.
- bb) "Postal Ballot" means voting by post or through any electronic mode.
- cc) "Proxy" means an instrument whereby any person is authorised to vote for a member at a general meeting on a poll.
- dd) "Electronic Mode" means any video conferencing facility i.e. audio visual electronic communication facility employed by the Company which enables all persons participating in that meeting to communicate concurrently with each other without an intermediary and to participate effectively in the meeting.
- ee) "Tribunal" means the National Company Law Tribunal constituted under section 408 of the Act.
- ff) "Key managerial personnel" means :
 - i. Managing Director or Chief Executive Officer or Manager and in their absence, a whole -time director;
 - ii. Company Secretary;
 - iii. Chief Financial Officer;

gg) "Executor" or "Administrator" means a person who has obtained probate or letters of Administration, as the case may be, from some competent court having effect in India and shall include an Executor or Administrator or the holder of a certificate, appointed or granted by such competent court and authorised to negotiate or transfer the shares of the deceased member.

hh) Words importing the singular number include the plural and vice versa. Words importing person include corporation, words importing the masculine gender shall include the feminine gender or vice versa.

3. The Authorized Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company each with the rights, privileges and conditions attached thereto as per the relevant provisions contained in this behalf and with power to increase or reduce the Share Capital of the Company.

SHARES AT A DISCOUNT

4. As per Section 53 of the Act, the Company is prohibited from issue of shares at discount.

FURTHER ISSUE OF SAME CLASS OF SHARES

5. The rights conferred upon the holders of the shares of any class with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

SHARES AT THE DISPOSAL OF THE DIRECTORS

6. Subject to the provisions of these Articles, the Shares shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons on such terms and conditions at such times, either at a par or at a premium, and for such consideration as the Board thinks fit. Provided that, where at any time it is proposed to increase the subscribed capital of the Company by the allotment of further shares then the Board shall issue such shares in the manner set out in Section 62 of the Act, unless otherwise authorised in terms of the provisions of the said Section of the Act. Provided further that the option or right to call of shares shall not be given to any person except with the sanction of the Company in General Meeting.

LIABILITY OF JOINT HOLDERS

7. The joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls and interest on installments and call due in respect of such shares.

ADDRESS OF SHARE HOLDERS

8. Every share holder shall name to the Company a place in India to be registered as his address and such address shall for all purposes be deemed his place of residence.

IN WHOSE NAME SHARES MAY BE REGISTERED

9. Shares may be registered in the name of any person, the joint holders, or any limited company, but not in the name of a minor, nor shall more than three persons be registered as joint holders of any share.

TRUST NOT RECOGNISED

10. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by a Court of Competent Jurisdiction, or as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

11. The Directors may allot and issue shares in the capital of the Company in payment or part payment for any property sold or transferred, goods or machinery supplied or for services rendered to the Company in or about the formation or promotion of the Company, or the conduct of its business and any share, which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed to be fully paid up shares.

BROKERAGE AND COMMISSION

12. The Company may on any issue of shares or debentures pay such brokerage as may be reasonable and permissible under the Law of this country for the time being.

COMMISSION

13. Subject to the Regulations of the country for the time being, in addition to the payment of any reasonable sums as brokerage, the Company, at any time may pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debenture or debenture stock in the Company, or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares debentures or debenture stock in the Company but so that (if the commission shall be paid or payable out of the capital) the commission shall not exceed 5 per cent of the price at which the shares are issued or 2.5% of the price at which debentures are issued.

METHOD OF PAYMENT OF COMMISSION

14. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

CERTIFICATES

15. The share certificates shall be issued only after such issue is authorised by the board resolution.

SIGNATURE ON CERTIFICATES

16. Every share certificate shall be issued under the Common Seal of Company and shall be signed by (i) two Directors (ii) a Secretary or any other person authorised for the purpose by

the Board of Directors. Every certificate shall specify the shares to which it relates and the amount paid up thereon.

ONE CERTIFICATE FOR JOINT HOLDERS

17. In respect of any share or shares held jointly by two persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for share to one of the two joint holders shall be sufficient delivery to both the holders.

RENEWAL OF CERTIFICATES

18. If any certificate be worn out, decrepit or defaced, or if there are no further cages on the back thereof for the endorsements of transfer, then upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof free of charge and if any certificate is proved to have been lost or destroyed, then upon proof thereof to the satisfaction of the Directors and such indemnity as the Directors deem adequate being given to the party entitled to such lost or destroyed certificate.

Similarly if any share or shares be surrendered to the company for subdivision and split or consolidation, the Board may order the same to be done free of Charge.

FEE FOR NEW CERTIFICATE

19. The sum of fifty rupees, the out of pocket expenses incurred by the Company in investigation for evidence and the advertisement cost or such less sum as the Directors may determine shall be paid to the Company for every such new certificate and the like fee shall be payable in respect of each sub-division of certificates.

Provided that no fee shall be charged for sub-division or consolidation of certificates into lots of the market unit or for issue of new certificates in replacement of those which are old, decrepit or worn out or where cages on the reverse for the endorsements for transfer have been fully utilised.

COMPANY'S SHARES NOT TO BE PURCHASED

20. Notwithstanding anything contained in these Articles, in accordance with the provisions of Section 68 and subject to other provisions of the Act, the Company may purchase its own shares or other securities in the form of buy-back up to such percentage(s) as may be stipulated from time to time in this regard upon such terms and conditions as it may consider appropriate, in such manner as may be prescribed and subject to such approval as may be required by Law.

CALL ON SHARES CALLS

21. The Directors of the Company may from time to time determine the amount payable on application and allotment at the time of issue of shares and may also make calls upon the members in respect of any money unpaid on their shares of such amount and payable at such times and place as they may from time to time decide.

22. Subject to the provisions of the Act and these Articles, the shares of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or

any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

23. The Board may, at its discretion issue any portion of the Preference Shares not already issued, as redeemable preference shares which are at the option of the company liable to be redeemed and subject to provisions of Section 55 of the Act, on such terms as to dividends preferential payment or return of the amount paid up thereon and as to conditions and terms of redemptions the Directors may deem fit.

24. The Board may, at its discretion, convert the unissued Equity Shares into preference shares, Redeemable Preference Shares and vice versa and the Board may issue any part or parts of the unissued shares upon such terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and subject to the provision of Section 43 of the Companies Act, 2013 thinks fit, and in particular may issue such shares with such preferential or qualified right to dividends and in the distribution of the assets of the company as the Board may subject to the aforesaid section determine.

25. If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

26. To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least five persons holding at least one-third of the issued shares of the class in question.

27. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed.

EVIDENCE IN ACTION FOR CALL

28. On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders, of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the minute book; and the notice of such call was duly given to the member, in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call for any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

FORFEITURE, SURRENDER AND LIEN IF CALL OR INSTALMENT NOT PAID NOTICE TO BE GIVEN

29. If any Member fails to pay any call, or installment, on or before the day appointed for payment thereof, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve notice on him to pay the same together with any interest that may have accrued, and stating that in the event of non-payment on or before someday to be named in the notice (such day not being less than fourteen days from the date of service of such

notice) and at some place (either the Office or a Bank) named in such notice, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

IF NOTICE NOT COMPLIED WITH SHARES MAY BE FORFEITED

30. If the requisition of such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of calls, installments, and interest may be forfeited by a resolution of the Board of Directors, and the forfeiture shall be recorded in the Directors' Minute book; and the holder of such share will thereupon cease to have any interest therein, and his name shall be removed from the register as such holder and thereupon notice shall be given to him of such removal, and an entry of the forfeiture with the date thereof shall forthwith be made in the register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice to or to make such entry aforesaid.

EFFECT OF FORFEITURE

31. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.

ARREARS TO BE PAID NOTWITHSTANDING FORFEITURE

32. Any person whose share shall be so forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding the forfeiture, be liable to pay to the Company all calls or installment and interest, or in respect of such shares at the time of forfeiture together with interest at the rate of 12 percent per annum, or at such rate as the Directors may determine which shall be a debt due to the Company the liability of such person shall cease if and when the Company shall have received payment in full of all such amounts due in respect of the shares.

FORFEITED SHARE TO BECOME PROPERTY OF THE COMPANY

33. Any share so forfeited shall be deemed to be the property of the Company and the Board of Directors may sell, re-allot, or otherwise dispose of the same in such manner as they think fit.

POWER TO ANNUL FORFEITURE

34. The Directors may at any time, before any share so forfeited, shall have been sold, re-allotted or annul the forfeiture thereof upon such conditions as they think fit.

DECLARATION FOR FORFEITURE OF SHARES

35. A duly verified declaration in writing that the declarant is a Director or the Secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence for the facts, therein stated as against all persons claiming to be entitled to the share.

LIEN ON SHARES

36. The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonus from time to time declared in respect of such shares. Unless otherwise agreed the registration of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

AS TO ENFORCING A LIEN BY SALE

37. The Director shall be entitled to give effect to such lien by sale or forfeiture and re-issue of the shares subject thereto or by retaining all dividends and profits in respect thereof or by any combination of the said means but no sale or forfeiture shall be made, until such period as aforesaid shall have arrived, and unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell or forfeit shall have been served on such member, his executors, or administrators and default shall have been made by him or by them in the payment, fulfillment, or discharge of such debts liabilities or engagements for seven days after such notice.

VALIDITY OF SALE

38. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the power herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person.

APPLICATION OF PROCEEDS OF SALE

39. The net proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists, as is presently payable. The residue, if any, subject to a like lien for sums presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale, or to his executors, administrators, committee, curator or other representative.

DIRECTORS MAY ISSUE NEW CERTIFICATES

40. Where any shares under the power in that behalf herein contained are sold by the Directors, and the certificate thereof has not been delivered to the Company by the former holders of the said shares, distinguishing it in such manner as they think fit from the certificate not so delivered up, they may issue fresh certificates.

SURRENDER OF SHARES

41. Subject to the provisions of the Act, the Board may accept from any member the surrender on such terms and conditions as shall be agreed, of all or any of his shares.

SHARE WARRANTS POWER TO ISSUE SHARE WARRANTS

42. With the previous approval of the Central Government, the Company may issue share warrants subject to and in accordance with the provisions of Act , and accordingly, the Board may at its discretion, with respect to any share which is fully paid-up on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any), as the Board may, from time to time, required as to the identity of the person signing the application and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

RIGHTS OF DEPOSITORS OF SHARE WARRANTS

43. (i) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising other privileges of a member at any meeting, held after the expiry of two clear days from the date of deposit, as if his name were inserted in the register of members as the holder of the share included in the deposited warrant.

(ii) Not more than one person shall be recognised as depositor of the share warrant.

(iii) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

RIGHTS OF BEARER OF SHARE WARRANT

44. (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote to exercise any other privilege of member at a meeting of the company, or be entitled to receive any notices from the Company.

(ii) The bearer of a share warrant shall be entitled in other respects to the same privileges and advantages as if he were named in the register of members as the holder of a share included in the warrant, and he shall be a member of the Company.

RENEWAL OF SHARE WARRANT

45. The board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

TRANSFER AND TRANSMISSION OF SHARES TRANSFER OF SHARES

46. Save as provided in Section 56 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or behalf of the transferee has been delivered to the Company within the time prescribed by Section 56, together with the certificate or if no such certificate or if no such certificate is in existence, the Letter of Allotment of the Share. The transferor shall be

deemed to remain the holder of such shares until the name of the transferee is entered in the register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one witness who shall add his address.

47. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that where such application is made by the transferor, no registration shall, in the case of a partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within 2 weeks from the date of receipt of the notice, enter in the register the name of the transferee in the manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

48. Every instrument of transfer of any share shall be in writing in the prescribed form, and in accordance with the provisions of Section 56 of the Act.

49. Subject to the provisions of Section 58 of the Act, the Board by assigning sufficient cause for such refusal may, within 30 days from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share upon which the Company has a lien and, in case of shares not fully paid-up the Board may refuse to register to a transferee of whom it does not approve.

Provided that the registration of transfer of a share shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

50. No transfer shall be made to a minor or person of unsound mind.

51. Every instrument of transfer shall be left at the office of registration, accompanied by the Certificate of the share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the share and such other evidence as the board may require to prove the title of the transferor or his right to transfer the share. Every instrument of transfer which shall be retained by the Company, but any instrument of transfer which the board may refuse to register shall be returned to the persons depositing the same.

52. If the Board refused whether in pursuance of Article 47 or otherwise to register the transfer of any share, the company shall, within 30 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal.

53. No fee shall be charged for the registration or transfer, grant of probate, grant of letter of administration, certificate of the death or marriage, power of- attorney, letters of allotment and for split, sub-division of renounceable letter of right or other instrument.

54. The executor or administrator of a deceased (not being one of several joint-holders) shall be the only person recognized by the company as having any title to the share registered in the name of such member, and, in case of the death of any one or more of the registered joint-holders of any share, the survivor shall be the only person recognized by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to

release the estate of a deceased joint holder from any liability on the share held by him jointly with any other person. Before recognizing any executor or administrator, the Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation, as the case may be, from a competent Court in India and having effect in Telangana provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the board to dispense with the production of Probate or Letters of Administration or such other legal representation, such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate.

55. Any committee or guardian of a lunatic member or any person becoming entitled to hold or to transfer a share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share, or may, subject to the regulations as to transfer herein before contained, transfer such share. This Article is hereinafter referred to as "The Transmission Article.

56. If the person so becoming entitled under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a Notice in writing signed by him stating that he so elects

57. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.

58. All the limitations restrictions and provisions of these Articles relating to the right of transfer and the registration of instrument of transfer of a share shall be applicable to any such notice of transfer as aforesaid as if the death, Lunacy, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

59. A person so becoming entitled under the Transmission Article to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall, subject to the provisions Section 123 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the share.

60. Provided that the Board may at any time given notice requiring any such person to elect either to be register himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

ALTERATION OF CAPITAL INCREASE OF CAPITAL

61. The Company in General Meeting may, from time to time increase the capital by creating and/or issuing new shares.

The new capital may be divided into preference shares or equity shares and may be issued upon such terms and conditions, and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation and/or issuing thereof shall direct, and if no direction be given, as the Board of Directors shall determine, and in particular such shares may be issued with preferential or qualified rights to dividends and in the distribution of assets of the

Company.

SAME AS ORIGINAL CAPITAL

62. Any Capital raised by the creation and/or issue of new shares shall be considered as part of the original capital in all respects so far as may be, subject to the foregoing provisions, with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien and surrender, unless it may be otherwise resolved by the General Meeting sanctioning the increase.

REDUCTION OF CAPITAL

63. The Company may, subject to confirmation by the Tribunal from time to time, by special resolution, reduce its capital in any way, and in particular and without prejudice to the generality of the foregoing powers by exercising the powers mentioned in Section 66 of the Act.

64. The Company may by Special Resolution, reduce in any manner and with and subject to, any incident authorised and consent required by law :

- (a) Its Share Capital
- (b) any capital redemption reserve fund, or
- (c) any share premium account.

CONSOLIDATION OF SHARES

65. The Company may consolidate all or any of its share capital into shares of large denomination than its existing shares.

CONVERSION OF SHARES

66. The Company may convert all or any of its fully paid up shares into stock, and re-convert that stock into fully paid up shares of any denominations.

TRANSFER OF STOCK

67. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulation under which the shares from which the stock arose.

RIGHT OF STOCK HOLDERS

68. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividend, voting at meetings of the Company and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Such of the regulations of the Company (other than those relating to share warrants) as are applicable to paid up shares shall apply to stock and the words "Shares" and "Shareholders", in those resolutions shall include "Stock" and "Stockholder" respectively.

SUB-DIVISION OF SHARES

69. The Company may sub-divide its shares or any of them into shares of smaller amount than is fixed by Memorandum so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.

CANCELLATION OF SHARES

70. The Company may cancel shares which at the date of the passing of the resolution in that behalf, have not been or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

SUB-DIVISION INTO PREFERRED AND EQUITY

71. The resolution whereby any share is sub-divided may determine that as between the holders of the resulting shares from such division, one or more of such class of shares shall have same preference or special advantage as regards dividend, capital or otherwise over or as compared with the oilier or others.

MODIFICATION OF RIGHTS

72. Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class in the capital for the time being of the Company may be modified commuted, effected, abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided that such agreement is ratified in writing by the holders as per the Act.

BORROWING POWERS POWER TO BORROW

73. (a) Subject to the provisions of the Act, and without prejudice to the powers conferred by any other article or articles, the Directors may, from time to time, at their discretion, borrow or secure the payment of any sum or sums of money for the purpose of the Company either from any Director or elsewhere on security or otherwise and may secure the repayment or payment of any sum or sums in such manner, and upon such terms and conditions in all respects as they think fit, and in particular by the creation of any mortgage or charge on the undertaking or the whole or any part of the property present or future, or the uncalled Capital of the Company, or by the issue of debenture stock of the Company perpetual or redeemable, charged upon the undertaking or all or any part of the property of the Company, both present and future including its uncalled capital for the time being and the Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of the Company or any interest payable thereon, and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Directors with power to them to indemnify the guarantors from or against liability under their guarantees by means of a mortgage or charge on the undertaking of the Company or upon any of its property or assets or otherwise.

(b) The Directors may at any time by a resolution passed at a Board Meeting delegate to any category of managerial, personnel or any Committee of Directors or any other principal officer of the branch office of the Company, the powers specified in sub-clause (a) above

provided the resolution delegating powers to such managerial personnel or committee to borrow moneys shall specify the total amount upto which the moneys may be borrowed by him or them. Provided that the right to conversion of loan or debentures in shares shall not be given without the sanction of the Company in General Meeting.

RESTRICTION ON BORROWING POWERS

74. The Board may from time to time, at its discretion, subject to the provisions of Sections 179 and 180 of the Act, borrow money for the purpose of the company by passing special resolution in general meeting, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid up share capital and free reserves, apart from the temporary loans obtained from the company's bankers in the ordinary course of business.

DIRECTOR'S LOANS AND GUARANTEES

75. The Directors shall be entitled to receive interest on loans made by them to the Company as may be agreed between the Company and the Directors. The Directors, including the Managing Director may guarantee as any loan made to the Company and shall be entitled to receive such payment on account of his having given any such guarantee as may be determined by the Board, and such payment shall not be remuneration in respect of his services as Director.

MORTGAGE OF UNCALLED CAPITAL

76. If any uncalled capital of the Company be included in or charged by any mortgage or security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally made either to the exclusion of the Directors power or otherwise and shall be assignable if expressed so to be.

GENERAL MEETINGS ANNUAL GENERAL MEETING

77. In addition to any other meeting, general Meetings of the Company shall be held within such intervals as are specified in Section 96 of the Act, and subject to the Provisions of sub-section (2) section of the said of the Act, during the business hours, that is between 9.00 a.m and 6.00 p.m at the registered office of the company or at some other place within the city, town or village in which the registered office of the company is situate as may be determined by the Board. Each such General Meeting shall be called as "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the company shall, except in the case where an Extra-Ordinary General Meeting is convened under the provisions of the next following Article, be called a "General Meeting".

78. The Board may, whenever it thinks fit, call a General Meeting, and it shall, on the requisition of such number of members who hold on the date of receipt of the requisition, not less than one-tenth of such of the paid up share capital of the Company as at that date carries the right of voting in regard to the matter(s) to be considered at the meeting, forthwith proceed to call an extra-ordinary General Meeting, and in the case of such requisition the provisions of

Section 100 of the Act, shall apply.

79. A general meeting or the Annual General Meeting of the Company may be called by giving not less than clear twenty-one days' notice in writing or through electronic mode. Such meeting may be called by giving a shorter notice than twenty-one days but with the consent of not less than 95% of the members entitled to vote at such meeting. A statement setting out the material facts concerning each item of special business to be transacted at a general meeting shall be annexed to the notice calling such meeting in accordance with provisions of Section 102 of the Act.

80. The Company shall comply with the provisions of Section 111 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

81. Notice of every meeting of the Company shall be given to every member of the Company, to the Auditors of the Company and to any legal representative of any deceased member or the assignee of the insolvent member and every director of the company in any manner hereinafter authorised for the giving of notices to such persons. Provisions of section 101 read with 20 of the Act, shall be followed by the company.

82. The accidental omission to give any such notice to or its non receipt by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.

83. Every member entitled to vote at a meeting of the company or on any resolution to be moved thereat, shall be entitled during the period beginning twenty four hours before the time fixed for the commencement of the meeting and ending with conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company provided not less than three days notice in writing of the intention so to inspect is given to the Company.

84. No member shall exercise any voting right in respect of any Shares registered in his name on which any calls or any other sum presently payable by him have not been paid, or in regard to which the Company has or has exercised any right of lien.

85. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual general Meeting and all business transacted at any other General Meeting shall be deemed as Special Business.

86. No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for the general meetings shall be as provided in section 103 of the Act.

87. Any act or resolution under the provisions of these Articles or the Act, if permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if elected by an Ordinary Resolution as defined in Section 2 (63) of the Act, unless either the Act or these Articles specifically requires such act to be done or resolution passed by a Special Resolution as defined in the said Section

88. The Chairman of the Board of Directors or in his absence, Managing Director shall preside as Chairman at every General Meeting of the company. If at any meeting no such Chairman or Managing Director is present to chair the meeting within 15 minutes after the time appointed for holding of the meeting or either of them is not willing to act as Chairman, the Directors present shall choose one of the Directors present to be the Chairman of the meeting, or if no Directors is present or if all the Directors present decline to take the chair, the Members present shall choose one of the Members present to be the Chairman of the meeting.

89. If within half an hour from the time appointed for the meeting a quorum be not present, the Meeting, if convened upon such requisition as aforesaid, shall be dissolved, but in any other case, it shall stand adjourned to the same day in the next week, at the same time and place or such other day and at such time and place as the Board may be notice appoint and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting those members who are present shall be the quorum.

90. Provided that in case of an adjourned meeting or change of day, time and place of meeting, the company shall give not less than 3 days to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the company is situated.

91. At any general meeting, a resolution put to vote of the meeting shall, unless a poll is demanded under section 109 of Act, or the voting is carried out electronically, be decided on a show of hands.

92. A declaration by the Chairman of the meeting of the passing of a resolution or otherwise by show of hands and an entry to that effect in the books containing the minutes of the meeting of the company shall be conclusive evidence of the fact of passing of such resolution or otherwise.

93. Poll may be ordered to be taken by the Chairman of the meeting on his motion, and shall be ordered to be taken by him on a demand made in that behalf by the members present in person or by proxy, where allowed, and having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees has been paid-up. Provisions of section 109 of the Act, shall be followed by the company.

94. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

95. The demand of a poll may be withdrawn at any time by the persons who made the demand.

96. When a poll is to be taken the Chairman of the meeting shall appoint two scrutinizers, at least one of whom shall be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed to scrutinize the votes given on the poll and report to him thereon.

97. On a poll, a member entitled to more than one vote, or his proxy or other person entitled

to vote for him, as the case may be need not , if he votes, use all his votes or cast in the same way all the votes he uses.

98. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

99. The Chairman of a General Meeting may adjourn the same from time to time and from place, to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

100. A member can exercise his right to vote by the electronic means as prescribed under section 108 of the Act.

101. The Company shall cause minutes of all proceedings of every General Meeting and of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of conclusion of every such meeting concerned entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :

- (a) In the case of minutes of proceedings of a meeting of the Board or of a Committee thereof, by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (b) In the case of minutes of proceedings of a General Meeting by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
In no case, the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.

VOTE OF MEMBERS

102. Subject to any special conditions; of restriction as to voting upon which any shares may be issued or may for the time being, be held, on a show of hands, every member present in person shall have one vote, and on a poll every member present in person or by proxy shall have one vote for every share held by him in respect of which he is entitled to vote provided that the voting rights of the holder of any share issued at any time after the date of adoption of the Articles shall be as specified in Section 48 of the Act.

- (a) Provided that no Company or body corporate being a member of the Company shall vote by proxy unless a resolution of its Board of Directors under the provisions of Section of 113 of the Act, is in force and the representative in such resolution is present at the General Meeting at which the vote by proxy is tendered.
- (b) When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (c) Where a company or a body corporate (hereinafter called member company) is a member of the Company, a person duly appointed by resolution in accordance with the provision of section 113 of the Act, to represent such member company at meeting of the company, shall not, by reason of such appointment, be deemed to be a proxy, and the pledging with the Company at the office or production at the meeting of a copy of

such resolution duly signed by one director of such member company and certified by him or them as being a true copy of the resolution shall, on production at the meeting, be accepted by the Company as sufficient evidence the same rights and powers, including the right to vote by proxy on behalf of the member company which the represents, as that member company could exercise if it were an individual member.

- (d) If any member is a lunatic, idiot or non-composment he may vote whether on a show of hands or on a poll by his Committee, curator banis or other legal curator and such last mentioned person may give his vote, by proxy provided that forty eight hours at least before the time of holding the meeting or adjourned meeting as the case may be, at which any person proposes to vote, he shall satisfy, the Board of his right under the Transmission Article to transfer the shares in respect of which he proposes to exercise his right under the Article unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (e) Where there are joint registered holders of any share, any one of the such persons may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto; and if more than one of such joint holders be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purpose of this Article be deemed joint-holders thereof.

PROXY

103. On a poll votes may be given either personally or by proxy, or, in the case of a body corporate, by a representative duly authorized

104. The instrument appointing a proxy shall be in writing under the hand or the appointer or his Attorney duly authorised in writing or if such appointer is a body corporate by under its common seal or the hand of its Officer or Attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called special proxy. Any other shall be called a General Proxy.

105. A person may be appointed as proxy he is not member of the Company and every notice convening a meeting of the Company shall state this, that a member entitled to attend and vote at the meetings is entitled to appoint a proxy to attend and vote instead of him.

106. This instrument appointing a proxy and the power of Attorney or other authority (if any) under which it is signed, or notarially certified copy of that power of authority, shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.

107. A vote in accordance with terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument, or transfer of the share shall have been received by the Company at the office before the vote is given;

Provided nevertheless that the Chairman of any meeting shall be entitled to require such

evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

108. A person can act as proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the company carrying voting rights.

109. Any instrument appointing a proxy shall be in the form prescribed under section 105 of the Act, and rules made thereto.

110. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or regard to which the Company has exercised any right of lien.

111. Any objection as to the admission or rejection of a vote, either on a show of hands, or on a poll made in due time, shall be referred to the Chairman, who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.

112. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid of all purposes.

MANAGEMENT DIRECTORS

113. The business of the Company shall be managed by the Directors who may exercise all such powers of the Company as are not, by the Act, or any statutory modification thereof for the time being in force, or by these articles, required to be exercised by the Company in General Meeting, subject nevertheless to such regulations, not inconsistent with the aforesaid provisions, as may be prescribed by the Company in General Meeting, but no such regulations shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

NUMBER OF DIRECTORS

114. Unless otherwise determined by the Company in General Meeting the number of Directors shall not be less than 3 or not more than 15, including technical, nominated, and special Directors if any.

FIRST DIRECTORS

115. The following persons shall be the Directors of the Company at the time of adopting these articles:

- a) Mr. P. KRISHNAMRAJU
- b) Mr. G. VENKATESHWAR RAO
- c) Mr. P. SATYANARAYANA RAJU

APPOINTMENT OF DIRECTORS

116. The Board of Directors shall have power from time to time and at any time, to appoint any persons to be additional Directors, but so that the total number of Directors shall not at any time exceed the maximum number fixed as above. But any Director so appointed shall hold the office only until the next following Annual General Meeting of the Company and shall then be eligible for re-election.

QUALIFICATION SHARES

117. A Director shall not be required to hold any qualification shares.

DIRECTORS FEE AND OTHER REMUNERATION

118. Until otherwise determined by a General Meeting each Director shall receive out of the funds of the Company by way of remuneration in accordance with Section 197 of the Act, for each meeting of the Board or a Committee thereof attended by him. The Board of Directors may allow and pay to any Director who is having his residence at a place outside the place at which any meeting of the Directors may be held and who shall come to the place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as above specified.

DIRECTORS COMMISSION

119. The Directors may subject to applicable provisions of the Act, also receive remuneration or commission, or participation of profits or partly in one way or partly in another, and such remuneration shall be divided among the Directors, equally or in such other proportion as they may determine from time to time.

AS TO EXTRA SERVICE PERFORMED BY DIRECTORS

120. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or, residing away from the place of the registered office of the Company for any of the purpose of the Company, or giving attendance to the business of the Company, the Company may pay to the Directors so doing either by a fixed sum, or by a percentage on profits or otherwise, as may be determined by the Directors, subject to the provisions of applicable section of the Act.

NOMINEE DIRECTORS

121. In the event of the Company entering into an agreement or agreements for the purchase of machinery and/ or for promoting technical collaboration and or assistance for the purchase of machinery, installation etc., or for any lease or concessions or oilier contract or agreement for assistance in any form like power supply, water supply, grant of loans, underwriting and/or subscribing for shares of the Company, with any State Government, Central Government or any industrial financing or development corporation of finance institution and if the terms of the agreement of contracts or arrangement provide for the appointment of person or persons as

Director or Directors such person or persons including any State Government, Central Government or any industrial finance and development corporation or financing institution with whom the said agreements are entered into shall be entitled to appoint such number of Directors hereinafter referred to as special/corporation Directors as may be agreed upon from time to time, and from time to time remove such Director or Directors appointed and to appoint others in his or their place and to fill in vacancy caused by death or resignation of such Directors or otherwise ceasing to hold office and that such special Directors shall not be required to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company in General Meeting.

ALTERNATE DIRECTOR

122. The Board of Directors may appoint an Alternate Director to act for a Director (hereinafter called the Original Director) pursuant to section 161 of the Act, during his absence for a period of not less than three months from India.

ADDITIONAL DIRECTOR

123. Subject to the provisions of Section 161 of the Act, the Directors may appoint Additional Director.

WOMEN DIRECTOR

124. The company shall appoint at least one women Director on the Board of the Company as per the provisions of Section 149 of the Act. Provided that any intermittent vacancy of a women director shall be filled up by the board at the earliest but not later than immediate next board meeting or three months from the date of such vacancy whichever is later.

REMOVAL OF DIRECTOR

125. Directors can be removed under section 169 of the Act by members in general meeting, whether they are subject to retirement or not.

CASUAL VACANCY MAY BE FILLED BY DIRECTORS

126. Any casual vacancy occurring among the Directors may be filled up by the Directors but any person so chosen shall retain his office so long only as the vacating Director would have retained the same, if no vacancy had occurred provided that the directors may not fill a casual vacancy by appointing any person who had been removed from the office of Director of the Company under the preceding Article.

FAILURE TO FILL CASUAL VACANCY

127. The continuing Directors may act, notwithstanding any vacancy in their body, but so that if the number falls below the minimum fixed, the Directors shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

INDEPENDENT DIRECTORS

128. The Company shall have at least one-third of the total number of the directors as independent directors on the Board. Provided that any intermittent vacancy of an independent director shall be filled up by the board at the earliest but not later than immediate next board meeting or three months from the date of such vacancy, whichever is later. The company shall follow the provisions of section 149 of the Act.

SMALL SHAREHOLDERS DIRECTORS

129. The company may as per the provisions of section 151 of the Act, have one director elected by small shareholders.

ROTATION AND RETIREMENT OF DIRECTORS

130. Subject to the provisions of section 152 of the Act, at every annual general meeting, not less than two-thirds of the total directors including Managing Director and Whole Time Director shall be the persons whose period of office is liable to determination by retirement of directors by rotation.

DIRECTORS MAY CONTRACT WITH COMPANY

131. Subject to the applicable provisions of the Act, the Directors shall not be disqualified by reason of his or their office as such from contracting with the company either as vendor, purchaser, lender, agent, broker, lessor or otherwise, nor shall any such contact or any contract or arrangement entered into by or on behalf of the company with such Director or with any company or partnership in which he shall be a member or otherwise interested be avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of fiduciary relation thereby established but the nature of the interest must be disclosed by him or them at the meeting of Directors at which the contract or arrangement is determined if the interest then exists or in any other case at the first meeting of the Directors after the requisition of the interest.

WHEN DIRECTOR OF THIS COMPANY APPOINTED DIRECTOR OF A SUBSIDIARY COMPANY

132. A Director of this company may be or become a Director of any company promoted by this company or in which it may be interested as a vendor, share holder, or otherwise, and no such Director shall be accountable for any benefits received as Director or member of such company.

MEETING OF DIRECTORS

133. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit, as per section 173 of the Act, in such manner that minimum number of four meetings of its Board of Directors every year are held and here should not be gap of more than 120 days between two consecutive Board meetings.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any

time, summon a meeting of the Board.

134. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

135. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

136. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.

137. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

138. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

139. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

140. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

141. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

PARTICIPATION IN BOARD MEETING THROUGH ELECTRONIC MODE

142. Subject to the provisions of section 173 of the Act, the directors of the Company may participate in meetings of the Board through Electronic Mode as may be set out in the notice of the meeting, provided the directors intending to participate in the Board meeting by Electronic Mode confirm to the Company their participation in meeting of the Board by Electronic Mode at least 2 Business Days prior to the scheduled date of such meeting.

MINUTES

143. All minutes shall be signed by the Chairman of the meeting at which the same are recorded or by the person who shall preside as Chairman at the next ensuing meeting and all minutes purporting to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolution recorded, and the actual and regular transaction or occurrence of the proceedings to be so recorded, and of the regularity of the meeting at which the same shall appear to have taken place.

MANAGING DIRECTOR

144. The Board may appoint one or more directors as Managing Director(s) of the Company and fill in subsequent casual vacancy occurring in these posts. Such appointment as Managing Director may be made on such remuneration and for such period and upon such terms and conditions as the Board of Directors may deem fit subject to the provisions of the Act.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

145. Subject to the provisions of the Act –

- a. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

146. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

CUSTODY OF THE SEAL

147. The Directors shall provide a common seal for purpose of the company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Directors shall provide for the safe custody of the seal for the time being and the seal shall never

be used, except by the Authority of the Directors or a committee of the directors previously given, and one director at least shall sign every instrument to which the seal is affixed, provided nevertheless, that any instrument bearing the seal of the company and issued for valuable considerations shall be binding on the company notwithstanding any irregularity touching the authority of the directors to issue the same.

ACCOUNTS, AUDITS AND DIVIDENDS

148. The accounts shall be kept either in English or in the regional language or in both languages such books shall be kept either at the Registered office of the Company or at such other place in India as the Directors may think fit.

149. The Directors shall from time to time determine in accordance with the provisions of the Act, whether and to what extent and at what time and place and under what conditions are regulations the accounts and books, registers agreements and minutes of the General Body of the Company, or any of them shall be open to the inspection of the members and none of them shall be open to the inspection of the members and no member shall have any right of inspection of the members and no member shall have any right of inspecting any accounts or books or documents or registers or of the Company except as conferred by the Act or by the Company in general meeting.

150. Subject to provisions of the Act, No member shall be entitled to inspect the Company's books without permission of the Directors or to require discovery of any information respecting any detail of the Company's trading or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will not be expedient in the interest of the members of the Company to communicate to the public.

AUDIT

AUDITORS

151. At least once in every year the accounts of the Company shall be examined and the correctness thereof and of the Balance sheet and the Statement of Profit and loss be ascertained by one or more Auditor or Auditors.

152. Company shall appoint internal auditor to conduct internal audit of the functions and activities of the company in the manner prescribed under section 138 of the Act.

153. Every account of the company when audited and approved by General Meeting shall be conclusive, except so far as regards any error discovered therein before or at the audit of the then next account and whenever such error is discovered within that period of account shall be conclusive.

BONUS SHARES

154. The Company may issue fully paid-up bonus shares to its members in the manner provided in section 63 of the Act.

CAPITALISATION OF PROFITS AND RESERVES

155. (i) The Company in general meeting may, upon the recommendation of the Board, resolve:

- a) That it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
- b) That such sum be accordingly set free for distribution in the manner specified in clause ii amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause iii, either in or towards –

- a) paying up any amounts for the time being unpaid on any shares held by such members respectively;
- b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
- c) partly in the way specified in sub-clause "a" and partly in that specified in sub-clause "b";
- d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

156. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall –

- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- b. generally do all acts and things required to give effect thereto.

(ii) The Board shall have power –

- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

DEMATERIALIZATION OF SECURITIES

Option to dematerialise Securities:

157. Notwithstanding anything contained in these Articles, the Company may in accordance with the provisions of the Depositories Act, 1996, be entitled to dematerialise its securities and to offer the same to the share holders or members of the Company present and future (subscription in a dematerialised form) and on the same being done, the Company shall maintain a Register of Members holding various securities both in physical and dematerialised form in any media as permitted by law including any form of electronic media, either in respect of existing shares or any shares either by itself or agency appointed for the purpose.

Option for Investors:

158. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of depository, in respect of any security in the manner provided by the Depositories Act, 1996; and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

Securities in Depositories to be held in Fungible form:

159. All securities held by a Depository shall be dematerialised and be in fungible form.

160. Rights of Depositories and Beneficial Owners:

- (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his / her securities which are held by a Depository.

Service of documents:

161. Notwithstanding anything contained in the Act or these Articles to the contrary, where securities are held in Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of Securities:

162. Nothing contained in Section 56 of the Act, or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

Allotment of Securities dealt with in a Depository:

163. Notwithstanding anything contained in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

Distinctive numbers of securities held in a Depository:

164. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.

Register and index of beneficial owners:

165. The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996; shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

DIVIDENDS

166. (i) The company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits, and for the purpose of the equalisation of dividends any sums from time to time in accordance with these presents carried to the reserve, depreciation, or other special funds may be applied in payment thereof. The dividends so declared by the General Body shall not exceed the amount, so recommended by the Directors.

(ii) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

(iii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

(iv) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(v) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act. No dividend shall bear interest against the company.

(vi) Unclaimed dividend, if any to be treated in compliance with the provisions of Companies Act, 2013 read with rules thereof. Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

Amended vide Special Resolution passed in the 21st AGM held on 16/12/2015

DIVIDEND IN PROPORTION TO AMOUNTS PAID UP ON SHARES

167. Subject to the rights of person, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect thereof the dividend is paid but if and so long as nothing is paid upon any of the shares in the company dividends may be declared and paid according to the amounts of the shares.

RECONSTRUCTION

168. On any sale of the undertaking of the Company, the Board or the Liquidators on a wind-up may, if authorised by a Special Resolution, accept fully or partly paid up shares, debentures or securities of any other company, whether incorporated in India or not, either than existing to be formed for the purchase in whole or in par of the property of the Company, and the Board (if the profits of the company permit) or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of the Company amongst the members without realization, or vest the same in trustees for them, and any Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities benefit or properties otherwise than in accordance with the valuation of any such securities or properties of such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed be or is in the course of being wound up, such statutory rights (if any) under Section 494 of the Companies Act, 1956 as are incapable of being varied or excluded by these Articles.

WINDING UP

169. If the Company be wound up and the assets available for distribution among the members as such be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that as nearly as may be Losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid up at the commencement of winding up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up or which ought to have been paid-up on the shares held by them respectively but this articles is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

170. If the Company be wound-up, whether voluntarily or otherwise, the Liquidators may, with the sanction of a special resolution, divide among the contributories, in cash or kind, any part of the assets of the Company and may, with the like sanction, vest and part of the assets of the company in Trustees upon such trusts to the benefits of the contributories, or any of them, as the liquidators, with the like sanction, think fit.

INDEMNITY

171. Every Director, Secretary or any person (whether an Official of the Company or not) employed by the Company and any person appointed as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Secretary, Officer, Employee or Auditor in defending any proceedings, whether civil or criminal in which judgment is given in his / her favour or in which he / she is acquitted or in connection with any application under Section 463 of the Act, in which relief is granted to him / her by the Court.

Sl No.	Names, Descriptions, Occupations, Addresses & Signatures of the Subscribers	Name, Address, Description, Occupation and Signature of Witness
1.	<p style="text-align: center;">Sd/.</p> <p style="text-align: center;">Penumetchu Krishnam Raju Sb. Venkata Raju Occ: Service 266, Vivekananda Nagar Kukatpally Hyderabad - 872.</p>	
2.	<p style="text-align: center;">Sd/.</p> <p style="text-align: center;">Guttula Venkateswara Rao S/o Narasimha Murthy HIGH 7, BHEL Town Ship Occ : Business</p>	<p style="text-align: center;">Sd/.</p> <p style="text-align: center;">Amrit Kumar Kota S/o.K.Venkat Rao SRT 954 Sanath Nagar Hyderabad – 18 Occ : Chartered Accountant</p>
3.	<p style="text-align: center;">Sd/.</p> <p style="text-align: center;">Manthana Karuna Raju S/o. M.R.Jagapathi Raju 109, Venture II SBH Colony, L.B.Nagar Hyderabad</p>	

S No.	Names, Descriptions, Occupations, Addresses & Signatures of the Subscribers	Name, Address, Description, Occupation and Signature of Witness
4.	Occ: Service Sd/ Penumetchu Satyanarayana Raju S/o. Raghava Raju Karlapalem (PO) Mandel Guntur Dist Occ: Cultivation	
5.	Sd/ Senumetchu Rama Raju S/o Raghava Raju Karlapalem (PO) Mandal Guntur Dist Occ :Cultivation	
6.	Sd/ Penumetchu Naga Raju S/o Raghava Raju Karlapalem (PO) Mandal Guntur Dist Occ: Cultivation	Sd/ Amrit Kumar Kota S/o K.Venkat Rao SRT 954 Sanathnagar Hyderabad – 18 Occ: Chartered Accountant
7.	Sd/ Manthana Shiva Rama Raju S/o Subba Raju Karlapalem (PO) Mandel Guntur Dist Occ: Cultivation	

Place : Hyderabad

Date : 08.12.1993