

CERTIFICATE OF INCORPORATION,
MEMORANDAM
AND
ARTICLES OF ASSOCIATION
OF
RAMKY ESTATES & FARMS LIMITED

FOR AND ON BEHALF OF

M.NANDA KISHORE
WHOLE TIME DIRECTOR



प्रारूप आई आर
Form I.R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता..... का सं.....
No. **01-21333** of 19 **95-96**

मैं गतद्वारा प्रमाणित करता हूँ कि आज.....

कम्पनी अधिनियम, 1956 (1956 को 1) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

RANKY ESTATES & FARMS PRIVATE LIMITED

I hereby certify that.....

is this day incorporated under the Companies Act, 1956 (No 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज ता..... को दिया गया।

HYDERABAD

4th

Given under my hand at this.....

day of **August** One thousand nine hundred and **Ninety five.**

(13th Shrawana 1917 saka)



ज.एस.सी.-1
J.S.C-1.

(S.R.JEYA)

कम्पनियों का रजिस्ट्रार
Registrar of Companies
Andhra Pradesh.

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय

कम्पनी रजिस्ट्रार कार्यालय, आंध्र प्रदेश

लिमिटेड कम्पनी के रूप में परिवर्तित होने के परिणामस्वरूप, कम्पनी के नाम में परिवर्तन का नया
निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U70102AP1995PLC021333

मैसर्स RAMKY ESTATES AND FARMS PRIVATE LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स

RAMKY ESTATES AND FARMS PRIVATE LIMITED

जो मूल रूप में दिनांक चार अगस्त उन्नीस सौ पचानवे को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स

RAMKY ESTATES AND FARMS PRIVATE LIMITED

के रूप में निगमित की गई थी, और उसके द्वारा कम्पनी अधिनियम, के साथ पठित धारा 31/21 की शर्तों के अनुसार विधिवत आवश्यक
विनिश्चय दिनांक 21/03/2008 को पारित किया है, उक्त कम्पनी का नाम परिवर्तित होकर आज मैसर्स

RAMKY ESTATES AND FARMS LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा हैदराबाद में आज दिनांक नौ अप्रैल दो हजार आठ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Andhra Pradesh

Fresh Certificate of Incorporation Consequent upon Change of Name on Conversion to Public Limited Company

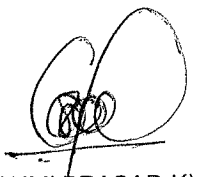
Corporate Identity Number : U70102AP1995PLC021333

In the matter of M/s RAMKY ESTATES AND FARMS PRIVATE LIMITED

I hereby certify that RAMKY ESTATES AND FARMS PRIVATE LIMITED which was originally incorporated on Fourth day of August Nineteen Hundred Ninety Five under the Companies Act, 1956 (No. 1 of 1956) as RAMKY ESTATES AND FARMS PRIVATE LIMITED having duly passed the necessary resolution on 21/03/2008 in terms of Section 31/ 21 read with Section 44 of the Companies Act, 1956; the name of the said company is this day changed to RAMKY ESTATES AND FARMS LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Hyderabad this Nineth day of April Two Thousand Eight.




(LAKSHMI PRASAD K)

सहायक कम्पनी रजिस्ट्रार / Assistant Registrar of Companies
आंध्र प्रदेश
Andhra Pradesh

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

Mailing Address as per record available in Registrar of Companies office:

RAMKY ESTATES AND FARMS LIMITED
6-3-1089/G/10 & 11, GULMOHAR AVENUE, RAJBHAVAN ROAD,
SOMAJIGUDA, HYDERABAD - 500082,
Andhra Pradesh, INDIA

**UNDER THE COMPANIES ACT, 1956
(1 OF 1956)**

COMPANY LIMITED BY SHARES

**MEMORANDUM OF ASSOCIATION
OF
RAMKY ESTATES AND FARMS LIMITED**

- I. The name of the Company is “**RAMKY ESTATES AND FARMS LIMITED**”.
- II. The Registered Office of the Company is in the State of Andhra Pradesh.
- III. The objects for which the Company is established:-

**A. THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS
INCORPORATION ARE:-**

- 1. To do and be in Real Estate Business and for the purpose, buy, sell, take on lease, give on lease or on license, maintain, develop, demolish, alter, construct, build and turn to account any land or buildings owned or acquired or leased by the Company or in which the Company may be interested as Owners, Lessors, Lessees, Licensor, Licensees, Architects, Contractors, Turnkey Contractors including Engineering, Mechanical and General, Builders, Interior Decorators and Designers, as Venders, Contractors, Property developers and Real Estate owners and agents whether such land or building or the development thereof be for or in respect of Residential or Commercial purposes such as Multistoreyed Buildings, Complexes, Residential houses, Farm houses, Resorts, Plots, Flats, Offices, Shops, Garages, Cinemas, Theaters, Hotels, Restaurants, Motels, Factory sheds & Buildings or other structures or whatsoever description including pre-fabricated and pre-cast houses, buildings and erections and to enter into contracts, subcontracts and arrangements including the raising of finances from whatsoever sources and giving of loans and advances to give effect and implement the said objects.

2. To carry on the business of Builders, Engineers, General Construction, Civil Contractors, Mechanical Contractors, Design Engineers, Turnkey Contractors.
3. To carry on in any part of India and elsewhere the business and activities or horticulture, silviculture, forestry, agriculture, floriculture, nurseries, cultivators of food grains, seeds, vegetables, fruits and every products of the soil, poultry farming, animal husbandry, including development of farms, orchards, plantations, to grow, cultivate, cut, process, buy, sell, export, import and otherwise deal in such products to promote schemes for the commercialisation of and investment in management of such activities of other persons, firms, associations or bodies corporate.
4. To buy, take on lease or otherwise acquire land, forests, plantations, orchards, buildings, estates, and properties of every description to develop and improve any of them by clearing, fencing, irrigating, buildings, establishment of dwelling colonies and by all other means, to sell, lease out, or otherwise dispose, sublet, enter into any joint venture, cooperation with any person, firm, association or body corporate for the utilisation of these lands, orchards, forests, estates, buildings and properties for all purposes.

B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE ABOVE MAIN OBJECTS ARE:-

1. To Acquire real or leasehold estates for the purpose of the company, and purchases, lease, construct or otherwise acquire or provide in any place in which any part of the business the company may from time to time, be carried on such office, warehouses, workshops, buildings, engines, machinery, plant and appliances as may be considered requisite and essential for the purpose of carrying on the business of the company or any part thereof.
2. To purchase, acquire, hire hold, improve, manage, alter, take on lease, erect and construct any building, sheds, houses, roads, water tanks, electric installations, railway sidings, railway wagons and such other apparatus or things that may be considered necessary for the company's business.
3. To buy, manufacture, export, import and deal in plant and machinery, implements, conveniences, provisions and things capable of being used in connection with the operation of the company or required by workmen and others employed by the Company.
4. To develop, repair, improve, extend, maintain, manage, mortgage, change, exchange, sell, assign, transfer, lease out, dispose off, or turn to account, or otherwise deal with the whole or any part of the company's property and assets.
5. To purchases, own, take on lease, barter, work, use, exchange, or otherwise acquire and undertake all or part of the business rights, privileges, property and liabilities or to enter into partnership or into any arrangements of sharing of profits, co-operation, amalgamation, union of interest, joint ventures reciprocal concession or otherwise with any government, authority, person firm, or body corporate having objects altogether or in part similar to those of this company or carrying on or engaged in or

about to carry on or engage in any business to transaction, which this company is authorised to carry on or engage in or any undertaking or transaction which may seem capable of being carried or conducted so as directly or indirectly to benefit this company to lend money, to guarantee the contracts or subsidies or otherwise assist any such persons, firm or company in connection with the business of the company.

6. To apply for, purchase or otherwise acquire, protect, prolong and renew whether in India or in any part of the world any patents, brevets, invention, copy-right, trademarks, designs, secret process, concessions, licenses, projections, and the like subject to royalty or otherwise, conferring an exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company in connection with its business and to use, exercise, develop, work, manage, sell, let grant, licenses in respect of or otherwise turn to account or deal with and to expend money in experimenting upon testing or improving any such patents, inventions, rights and information so acquired.
7. To apply for or join in applying to and obtaining from any parliament or legislative authority or Government or any supreme, public, local, municipal or other authority or body or with any landholders or other persons any Acts of parliament, Legislature or other Acts of Legislature, Law, Degree, Concessions, order, rights, or privileges or authorities they may seem conducive to the Company's objects or any of them and to obtain any provisional order or Act of Parliament for enabling the Company to carry out its objects into effect to oppose any such steps taken by any other company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the company and to promote and lawfully assist the promotion whether directly or indirectly of any legislation which may appear to be in the interest of the company and to oppose and resist, whether directly or indirectly any legislation which seem disadvantageous to the company.
8. To enter into any agreement contract or any other arrangement for with or without consideration upon payment of a lumpsum or on staggered payment terms or in any other manner with Indian and Foreign organizations for management, technical, financial, or any other assistance or collaboration as may be deemed fit for the company in order to attain its main objects.
9. To enter into any arrangements and to take all necessary or proper steps with Government or with other authorities Supreme, national, local municipal or otherwise of any place in which the company may have interest and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out of the objects of the company or effect any modification in the constitution of the company or furthering the interests of its members and to obtain from any such Government authority or any company, any charters, contracts, decrees, rights, grants, loans, privileges or concessions which the company may thing fit and desirable to obtain and carryout, exercise and comply with any such arrangement, Charters, contracts, decrees, rights, privileges or concessions.
10. To apply for, tender, purchase or otherwise acquire, contracts, sub-contracts and concessions for all or any of them and to undertake, execute, carryout, dispose of or

otherwise turn to account the same and to sublet, all or any contracts from time to time and upon such terms and conditions as may be thought expedient.

11. To establish branches, showrooms, depots and service stations in India elsewhere for the conduct of the business of the company and to regulate and discontinue the same.
12. To establish and maintain agencies, at any place in India or other part of the world for the conduct of the business of the company or for purchase and sale of any goods, merchandise, articles and things required for or dealt in or manufactured or at the disposal of the company.
13. To advertise and publicise or promote the sale of goods, articles or things, produced, manufactured, trade or dealt in by the company or any wastage, surpluses etc. in manner as may be deemed expedient including advertising in the press, posting of bills, the issue or publication of circulars, pamphlets, price-lists, leaflets, catalogues, brochures or by the distribution of the momentos, gifts and other articles.
14. To open and operate any current, overdraft, loan, cash credit, deposit or such other account or accounts with any bank, shroff, company or person and to pay into and to withdraw money from such account or accounts.
15. Subject to the provisions of section 58A of the Companies Act, 1956 and rules made there under and the directions issued by the Reserve Bank of India from time to time as may be applicable to borrow or raise money with or without security or to receive money on deposit or by way of loan at interest or otherwise, in such manner as the company, shall think fit, and in security of any such money so borrowed raised or received to mortgage, pledge or charge the whole or any parts of the property, assets or revenue of the company, present or future including its uncalled capital and to purchase redeem or payoff any such securities. The Company shall not however, carry on the business of banking within the meaning of Banking Regulation Act, 1949.
16. To make advance of such sum of money upon or in respect of or for the rendering of services to the company, purchase of materials, goods, machineries, stores or other property, articles and things required for the purpose of the company upon such terms with or without security as the company may deem expedient.
17. To lend or advance or deposit money belonging to the company or give credit to any company or other person in connection with the business of the company and in particular to customers with or without security on such terms as deem expedient, and to draw, make accept, endorse, discount and execute bills of exchange, promissory notes or hundies, bills of loadings, railway receipts, coupons, drafts, certificates and other negotiable or transferable instruments or securities as may be necessary for and in connection with the business of the company and subject to however, that the company shall not do the business of banking as defined in the Banking Regulation Act, 1949.
18. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any special fund whether for depreciation or for repairing, improving, extending or maintaining any of the property or assets of the company or for redemption of

debentures or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the Company.

19. To promote, establish, undertake, from and to be interested in and to apply for, acquire, hold and dispose of shares in any institution business, pool, combine, syndicate (Industrial, trading or manufacturing) or company having objects altogether or in part similar to those of this company or carrying on the business capable of being conducted so as directly or indirectly to benefit the company.
20. To invest and deal with the monies of the company not immediately required by the company in such manner as may from time to time be determined by the Board of Directors.
21. To form, incorporate or promote any company or companies whether in India or in any part of the world, having amongst its or their the acquisition of all or any of the assets or development of the company or any other object or objects which, in the opinion of the company, could or might directly or indirectly assist the company in the development of its properties or otherwise prove advantages to the company and to pay all or any of the costs and expenses incurred in connection with any such promotion of incorporation and to remunerate any person or company in any manner it shall think fit for services rendered or to be rendered in or about the formation or promotion of the company or the conduct of its business.
22. To effect payment of all or any costs, charges and expenses incurred in connection with or incidental to the formation, establishment or incorporation of the company incurred or negotiations contracts or arrangements made prior to or in anticipation of the formation or incorporation of the company.
23. To amalgamate with any other company having objects altogether or in part similar to those of this company.
24. To insure any or all properties, godowns, stock (in godowns or in transit) and machinery with any insurance company or companies against all kinds of risks to the company.
25. To apply the assets of the company in any way in or towards the establishment, maintenance or extension of any association, institutions or funds in any way connected with any particular trade or business or with trade or commerce generally including any association, institution or funds for the protection of the interest of the management, workers and employees against loss by bad debts, strikes, combinations, fire accident or otherwise or for the benefits of clerks, workmen or otherwise at any time employed by the company or any of its predecessors in business or their families or dependents and whether or not in common with other persons or classes or persons in particular friendly, co-operative and other societies, reading rooms, libraries, educational and charitable institutions, dining and recreation rooms, schools, and hospitals and to grant gratuities, pensions and allowances and contribute to any funds raised by public or local subscriptions for any purpose whatsoever subject to relevant provisions of the Companies Act, 1956.
26. To establish, provide, maintain, and conduct or otherwise subsidize, research laboratories and experimental workshops for scientific and technical research and

experiment, to undertake and to carry on scientific and technical research experiments and tests of all kinds, to promote studies and research (both scientific and technical), investigations, and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing for or contributing to the award of scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward, studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business, which the Company is authorised to carry on.

27. To employ experts to investigate and examine into the conditions, prospects, value character and circumstances of any business concerns and undertakings and generally of any assets property or rights, in connection with company's business.
28. To train or pay for the training in India or abroad of any of the company's directors, officers, employees or any candidate in the interest to or for furtherance of the company's objects.
29. To establish and maintain or procure the establishment and maintenance of any contributory and / or non contributory provident, pension, and / or superannuation funds and / or purchase annuities, for the benefit of the give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were at any time in the employment or service of the company, or of any company which is subsidiary of the company, or is allied to or associate with the company as aforesaid wives, widows, families, and dependents of any such person and also establish and subsidies and subscribe to any institutions, associations clubs or funds calculated to be for the benefit of or advance the interests and well being of the company or of any such other company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid either alone or in connection with any such other company as aforesaid.
30. To provide for the welfare of the Directors, officers employees of the company, either in services or retired, and the wives, widows and families or the dependents or connections of such persons by building of houses, dwelling or chawls or by grant of money, pension, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to Provident or other associations, institution funds or trusts, and by providing or subscribing or contributing towards places of instruction, and recreation, hospitals, temples, and dispensaries, medical and other attendance and other assistance as the company shall think fit to subscribe or contributing or otherwise to assist or guarantee money to charitable benevolent, religious scientific and public or other institution and objects which shall have any moral or other claim to support or aid by the company either by reason of locality of operation or of public and general utility or otherwise to incur expenditure in developing the education and to grant scholarships, and aids to students including incurring in sending and paying expenses to them for higher studies either in India or in any foreign country.
31. To provide for furnish or secure to any members, employee of the company and charters, convenience, advantages, benefits or special privileges which may seem expedient either gratuitously or otherwise.

32. To aid by way of donation or subscription, any association, body or movement having for its objects the solution, settlements or surmounting of industrial or labour problems, disputes or troubles or the promotion of industry, science, education, knowledge, art or trade.
33. Subject to the provisions of the Companies Act, 1956 to indemnify officers, directors, employees of the company or persons otherwise concerned with the company against proceedings, damages, claim and demands in respect of anything done or ordered to be done by them for and in the interest of the company or any damage or misfortune whatever that may happen in the execution of duties of their office and / or in relation there to.
34. To agree to refer to arbitration the disputes present, future, between the company and any other company, firm or individual and to submit the same to arbitration to any arbitrator in India or abroad and either in accordance with India or any other foreign system of law.
35. To aid or donate to any institution or person engaged in or concerned with any activity, promoting the moral, mental or spiritual health and well-being of suffering humanity.
36. To do all or any of the above things either as principles agents, trustees, contractors, or otherwise and by or through agents, sub-contractors, trustees and either along or in conjunction with others.
37. Generally to perform and do all such other things as may be incidental or conducive to the attainment of the above objects.
38. To provide Corporate Guarantee and or to guarantee the performance of the contracts undertaken by persons, firms or Companies carrying on or authorized to carry on any business or businesses and to guarantee the payment of liabilities of any such person, firms or companies.

C. THE OTHER OBJECTS FOR WHICH THE COMPANY IS ESTABLISHED.

1. To carry on business of Builders, Engineers, General Construction, Civil Contractors, Mechanical Contractors, Design Engineers, Turnkey Contractors, Designers, Traders, Importers, Exporters and Dealers in all types of goods, Equipment including Environmental Engineering Equipment, Pollution Control both Air and Water engineering equipment, Laboratory material and equipment, Effluent Treatment Plant and all other acts and things as may be necessary or incidental.
2. To design, Develop, Manufacture, sell, lease, repair, service, import, overhaul, recondition and otherwise deal in all kinds of machinery, plant, equipment and accessories of any other items, material or component connected with the main objects of the Company.

3. To carry on the business of farming, fishery, poultry, sericulture, floriculture, horticulture, pisciculture and cultivators of all kinds of food grains, seeds, fruits, orchards or otherwise.
4. To buy, sell, manufacture, export, import and deal in all kinds of transport vehicles, parts, accessories, components and to establish and main transport service and facilities.
5. To print, publish or publicise any books, magazines, periodicals or other literature.
6. To carry on business as Agents, Buyers, Sellers, Importers, Exporters and dealers in all kinds of goods, materials, articles, things and merchandise and do all kinds of Agency business including as Commission Agents, Transport Agents, forwarding and clearing agents, brokers and so on connected to communication systems and office automation.
7. To carry on the business of finance, investment, hire purchase, lease finance, chit funds and other financial Business.

IV. The liability of the members of the company is limited.

- (*) V. The Authorized Share Capital of the Company is Rs. 56,00,00,000/- (Rupees Fifty Six Crores only) divided into 5,60,00,000 (Five Crore Sixty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each, with a power to increase, modify and reduce the capital of the Company and to divide the shares in the capital for the time being, into several classes and to attach thereto respectively preferential, differed, qualified or special rights, privileges or conditions.

(*) Altered vide Special Resolution passed at the Extra-Ordinary General Meeting held on 04.03.2011

VI. We, the several persons, whose names and address are subscribed below desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the company set opposite to our respective names.

Sl.No.	Names, Address, Descriptions, Occupations and Signatures of the Subscribers	No. of Equity Shares taken by Each subscriber	Name, Address, Description, Occupation and signature of the witness
1)	Sd/- Y.R.NAGA RAJA S/o. Late Y.K.Ratnakar D4-108, Shanti Shikara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad. Occu : Business	9 (Nine only)	Sd/- S.V.R.VISWESARA RAO S/o. S.V.Subba Rao No.2,A-1, Habib Apartments, Punjagutta, Hyderabd.
2)	Sd/- P.SATYANARAYANA REDDY S/o. Nagabhushana Reddy D4-115, Shanti Sikhara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad. Occ : Business	9 (Nine only)	Chartered Accountant
3)	Sd/- A.PERI REDDY S/o. A. Dasaratha Rami Reddy D4-115, Shanti Sikhara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad Occ: Business	9 (Nine only)	
Total No. of Equity Shares Taken		27 (Twenty Seven only)	

Place : Hyderabad
Date : 28-07-1995

**INCORPORATED UNDER THE COMPANIES ACT, 1956
(1 OF 1956)
COMPANY LIMITED BY SHARES**

ARTICLES OF ASSOCIATION

OF

RAMKY ESTATES AND FARMS LIMITED

1. Subject as herein after otherwise provided expressly or impliedly, the regulations contained in Table "A" in the First schedule to the Companies Act, 1956 shall be the regulations of the Company.

INTERPRETATIONS

2. In the interpretations of these articles, unless repugnant to the subject or context:

"The Company" or "this Company" means **Ramky Estates and Farms Limited**

"The Act" means "The Companies Act, 1956" or any statutory modification or re-enactment thereof for the time being in force.

"In writing" or "written" shall mean and include words written, printed or other substitute for writing represented or reproduced in any mode in a visible form.

"Member" means the duly registered holder, from time to time, of the shares of the Company and includes the subscriber to the Memorandum.

"Office" means the Registered Office for the time being of the Company.

"Paid-up" includes credited as paid-up.

"Persons" includes Corporations as well as individuals.

"Secretary" means a Company Secretary within the meaning of clause (c) of sub-clause (1) of Sec.2 of the Company Secretaries Act, 1980 (Act,56 of 1980) and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a Secretary under this Act and any other ministerial and administrative duties.

"Seal" means the common seal for the time being of the Company.

Words importing the singular number include where the context admits or requires the plural number and vice versa.

"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2 (17) of the Act.

The various sections quoted in these regulations will mean to refer to the relevant sections in the companies Act, 1956.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

SHARE CAPITAL

(*) 3. a)

- i. The Authorised Share Capital of the Company is Rs. 56,00,00,000/- (Rupees Fifty Six Crores only) divided into 5,60,00,000 (Five Crore Sixty Lakhs) Equity Shares of Rs.10/- (Rupees Ten only) each, with a power to increase, modify and reduce the capital of the Company and to divide the shares in the capital for the time being, into several classes and to attach thereto respectively preferential, differed, qualified or special rights, privileges or conditions.
 - ii. The minimum paid-up share capital of the company is Rs. 5,00,000/- (Five Lacs only) or such other paid-up capital as may be prescribed
- b) Subject to the provisions of Section 80, any preference shares may with the sanction of an ordinary resolution be issued on the terms that they are or at the option of the Company, are liable to be redeemed on such terms and in such manner as the Company before the issue of the shares as may, by special resolution determine.
- c) Where at any time subsequent to the first allotment of shares it is proposed to increase the subscribed capital by the issue of new shares, subject to any directions to the contrary which may be given by the company in general meeting and subject only to these Directions, such new shares shall be issued in accordance with the provisions of the Act, or any statutory modifications thereof.
- d) The Company shall have power to issue shares at a discount but in doing so, the company shall comply with the provisions of Section 79 or any statutory modifications thereof.
- e) The Company shall have power to issue shares at a premium but in doing so the company shall comply with the provisions of Section 78 or any statutory modification thereof.

Provided that notwithstanding anything to the contrary contained in the foregoing Articles or contained in any other provisions of these Articles, it shall be permissible for the directors of the Company, without requiring any Resolution of the Company in General Meeting or without making any offer to the existing share holders of the Company, in the event of the increase of the subscribed capital of the Company being cause by allotment and/or reservation of any bonus shares and/or right shares by the exercise of any option to the debentures issued or loans raised by the Company from the Government or any institution specified by the Central Government in this behalf under the provisions of Section 81 (3) (b) or other applicable provisions of the Act.

- 4 Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Board, who may allot or otherwise dispose of the same to such person on such terms and conditions at such times as the Board think fit and with full power to allot

(*) Altered vide Special Resolution passed at the Extra-ordinary General Meeting held on 04.03.2011

shares of any class of the Company either, subject to the provisions of the Act, at a premium or at par or at a discount provided that option or right to call for allotment of shares shall not be given to any person except with the sanction of the Company in General Meeting. The Board shall cause to be made the returns as to allotment provided for in the Section 75 of the Act.

5. Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the capital of the Company in payment for any property or assets of any kind whatsoever sold, supplied or transfer, or for goods or machinery supplied or for services rendered to the company either in or about the formation or promotion of the company or the conduct of its business, and any shares which may be so allotted may be issued as fully paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares, as the case may be.

ALTERATION OF SHARE CAPITAL

6.
 - 1) The Company shall have power to alter the conditions of the Memorandum as follows, that is to say, it may:
 - a) Increase its shares capital by such amount as it thinks expedient by issuing new shares.
 - b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
 - c) Sub-divide its shares or any of them into shares of smaller amount than is fixed by the 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.
 - d) Cancel shares which, at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled provided however the cancellation of shares in pursuance of the exercise of this power shall not be deemed to be reduction of share capital within the meaning of the Act.
 - 2) The powers conferred by this regulation shall be exercised by the Company in general meeting.
7. Subject to the provisions of Sections 78, 80, 100 to 105 of the Act, the Company in General Meeting may, from time to time by Special Resolution reduce its Share Capital, create Capital Redemption Reserve Account or share premium account in any manner for the time being that it may be called up again or otherwise. This Article is not to derogate from any power the company would have if it were omitted.

UNDERWRITING AND BROKERAGE

8. Subject to provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe

(whether absolutely or conditionally) for any shares or debentures in the Company, or procuring or agreeing to procure subscription (whether absolute or conditional) for any shares or debentures in the Company; but so that the commission shall not exceed in the case of shares, five percent of the price at which the shares are issued, and in the case of debentures two and half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in other way.

9. The Company may pay a reasonable sum for brokerage, which may be lawful.

VARIATION OF SHAREHOLDERS RIGHTS

10. a) 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 share of that class) may subject to the provisions of Sections 106 and 107 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 general meeting of the holders shares of that class.
- b) Subject to the provisions of Section 170(2) and (b) or any statutory modifications thereof, to every such separate General Meeting, the provisions of these Regulations relating to General Meetings shall *mutatis mutandis* apply but so that the necessary quorum shall be two persons atleast holding or representing by proxy one third of the issued shares of the class in question.
- c) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise 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.
11. Except as required by law, no person shall be recognized by the Company as holding any share upon any trust and the Company shall not be bound or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any shares, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any shares except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATES

12. 1) The certificate of title to shares shall be issued under the seal of the Company and shall be issued, sealed and signed in conformity with the provisions of the Companies (Issue of Shares Certificates) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force. Any two or more joint allottees or owners of a share shall, for the purpose of this Article, be treated as a single member and the Certificate of any shares may be delivered to the first named person of such joint allottees or owners on behalf of all of them. The Company shall comply with provisions of Section 113 of the Act.
- 2) The Company shall, within 10 weeks of closure of subscription list after the allotment of any of its shares, debenture stock and within one month after application for the registration of transfer of any such shares, debenture stock

deliver in accordance with the procedure laid down in Section 53, the certificates of all the shares and debentures, and the certificates of all debentures of the debenture stocks allotted or transferred unless the conditions of issue of the shares, debentures of debenture stock otherwise, provide or the Company is prohibited by any provision of law or order of any court, tribunal or authority.

- 3) The Company shall issue "Share/Debenture Certificates in marketable lots and where share/ debenture certificates are issued for either more or less than marketable lots, sub-division/ consolidation into marketable lots shall be done free of charge".
- 4)
 - a) The Board of Directors may renew a Share Certificate or issue a duplicate of a share Certificate, if such share certificate
 - i) is proved to have been lost or destroyed; or
 - ii) Having been defaced or mutilated or torn is surrendered to the Company; or
 - iii) is old decrepit or worn out or where the cages on the reverse for recording transfers are fully utilised.
 - b) The Company shall observe such rules and conditions as be prescribed by the Government or required by the Stock Exchanges on which the shares are listed for renewal of Share Certificates or Issue of Duplicate Share Certificates.
 - c) The Company shall not charge any fee for sub-division or consolidation of share and debenture certificates or for sub-division of letter of allotment or for splitting consolidation or renewal of pucca transfer receipts into denominations corresponding to the market units of trading or for issue of new certificates in replacement of those which are old or torn out or where the cages of the reverse for recording transfers have been fully utilised, provided however that the Company may not entertain an application for sub- division/consolidation of share or debenture certificate(s) as the case may be into denominations less than respective market units of trading, except where such sub- division/consolidation is necessitated to make the existing holding of the said competent transfer or transferee into market lot or to comply with order of a court of law or authority or in cases wherein the opinion of the Board, it is necessary so to do to mitigate hardship.
 - d) The Company shall not charge any fees exceeding those which may be agreed upon with the Stock Exchange on which the shares are listed for issue of new certificates in replacement of these which are torn, defaced, lost or destroyed or sub-division or consolidation of shares and debentures certificates or for sub-division of letter of allotment for splitting, consolidation or renewal of pucca transfer receipts into denomination other than those fixed for the market units of trading.

CALLS ON SHARES

13. a) i) The Board may, from time to time may call upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- ii) Each member shall subject to receiving atleast fourteen day's notice specifying the time or times and place of payment pay to the company at the time or times and place so specified the amount called on his shares.
- iii) A call may be revoked or postponed at the discretion of the Board.
- b) A call shall be deemed to have been made at the time when the resolution of the Board authorising the Call was passed and may be required to be paid by installments.
- c) The joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- d) i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall bear interest thereon from the day appointed for payment thereof, to the time of actual payment at 18% per annum or at such lower rate, if any as the Board may determine.
- ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- e) i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date whether on account of the nominal value of the share or by way of premium shall, for the purpose of these Regulations be deemed to be a call duly made payable on the date on which by the terms of issue such sum becomes payable.
- ii) In case of non-payment of such sum, all the relevant provisions of these Regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified. Provided that any amount be paid in advance of calls on any shares, such amount may carry interest not less than 15% p.a. but shall not in respect thereof confer a right to dividend or to participate in profits.

LIEN

14. a) The Company shall have a first and paramount lien upon all the Shares (other than fully paid up shares) registered in the name of the each member (Whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether 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 the condition that Article II thereof will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien on any such shares. The Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

- b) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien.

Provided that no sale shall be made:

- i) Unless the sum in respect of which the lien exist in presently payable or;
 - ii) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which lien exists is presently payable has been given to the registered holder for the time being of the share or the person entitled there to by reason of his death or insolvency.
- c)
 - i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof .
 - ii) The purchaser shall be registered as the share-holder of the shares comprised in any such transfer
 - iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregular or in validity in the proceedings with reference to the sale.
 - d)
 - i) The 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.
 - ii) The residue, if any, shall, subject to a like lien for sums not presently payable are existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
 - e) No member shall exercise any voting rights 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 in regard to which the Company has, and has exercised any right of lien.

FORFEITURE OF SHARES

- 15. a) If a member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installments as is unpaid, together with any interest which may have occurred.
- b) The notice aforesaid shall:

- i) Name a further day (not earlier than the expiry of fourteen days from the date of service of notice) on or before which the payment required by the notice is to be made, and
 - ii) State that in the event of non-payment on or before the day so named the shares in respect of which the call was made will be liable to be forfeited.
- c) If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which the notice has been given may any time, thereafter before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- d)
 - i) A forfeited shares may be sold or otherwise disposed of in such manner as the Board thinks fit.
 - ii) At any time before a sale or disposal as aforesaid, the Board, may cancel the forfeiture on such terms as thinks fit.
- e) A person whose shares have been forfeited shall cease to be a member.
- f)
 - i) A duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary of the Company, and that share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of facts therein stated as against all persons claiming to be entitled to the share.
 - ii) The Company may receive the consideration if any given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.
 - iii) The transferee shall thereupon be registered as the holder of share.
 - iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the shares be effected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, or disposal of the share.
- g) The provisions of these Regulations as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- h) The forfeiture of 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.

TRANSFER AND TRANSMISSION OF SHARES

16. a) The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the Register of members.
- b) The Board shall not refuse the transfer of any share/debenture except on one or more of the following grounds:
- i) The instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the share/debenture has not been delivered to the Company or that any other requirement under the law relating to registration of such transfer has not been complied with.
 - ii) The transfer of share/debenture is in contravention of law.
 - iii) The transfer of the share/debenture is likely to result in such change in composition of the Board of Directors as would be prejudicial to the interests of the Company or to the public interest.
 - iv) The transfer of the share/debenture is prohibited by any order of any court, tribunal or authority under any law for the time being in force.
 - v) The share/debenture is partly paid up and on which the Company has a lien under the provisions of the Articles.
 - vi) There is any other just and sufficient ground.
- c) The registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine. Provided that such registration shall not be suspended for more than forty five days in any year and provisions of the Act shall be complied with.
- d) The Company shall not charge any fees:
- i) for registration of transfers, sub-division and consolidation of shares and debentures, certificates and for letters of allotment.
 - ii) for sub-division of renounceable letters or right;
 - iii) for issue of new certificates in replacement to those which are old, descript or worn out or where the cages on the reverse for recording transfers have been fully utilized; and
 - iv) for registration of any Power of Attorney, Probate, letter of administration of death certificate or similar other documents.
- e) The transfer shall be effected within one month.

- f) Provided that the registration of a transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person(s) indebted to the company on any account whatsoever.
- 17.
- a)
 - i) On the death of a member, the survivors or survivor where the member was a joint holder, and his legal representatives where he was shareholder shall be the only person recognised by the Company as having any title to his interest in the shares.
 - ii) Nothing in clause (i) shall release the estate of the deceased joint holder from any liability in respect of any share, which had been jointly held by him or other persons.
 - b)
 - 1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may upon such evidence being produced as may from time to time properly be required by the Board and subject as here-in-after provided elect, either:
 - i) to be registered himself as holder of the share or
 - ii) to make such transfer of the share as the deceased or insolvent member could have made.
 - 2) The Board shall in either case have the same right to decline or suspend registration, as it would have had if the deceased or insolvent member has transferred the shares before his death or insolvency.
 - c)
 - 1) If the person so becoming entitled 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.
 - 2) If the person, aforesaid shall elect to transfer the share he shall testify his election by executing a transfer of the share.
 - 3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer signed by that member;
 - d) A person becoming entitled to a share by reason of death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share except that he shall not before being registered as a member in respect of it be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered 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 money, payable in respect of the share until the requirements of the notice -have been complied with.

ISSUE OF EMPLOYEES STOCK OPTIONS, SWEAT EQUITY SHARES AND BUYBACK OF SHARES

- e) The Company in General Meeting may consider by passing a special resolution for issue of equity shares to the employees / Directors under Employees stock Option Scheme and or any other Scheme as per the guide lines and rules that are in force from time to time. The company may also issue sweat equity shares as per Sec 79A of Act to the directors by passing a Special resolution in General Meeting as per the regulations made by SEBI or Department of Company Affairs from time to time. The Board of Directors shall be duly authorised to frame the guidelines for consideration of issue of shares under Employees Stock Option Scheme or any other scheme and for issue of Sweat Equity shares.
- f) The Company may as per Sec 77A, 77AA & 77B purchase its own securities out of free reserves or share-premium account or proceeds of any shares or other specified securities by passing in general meeting as per the provisions of the Act and Rules and Regulations that may be in force from time to time. The Board of Directors shall comply all the provisions of the Act in purchase of companies own securities and authorised to do all such other acts that are required there on.

BORROWING POWERS

18. a) The Company shall have power to borrow from any person or persons and secure the payment of any sum or sums of money for the purpose of the Company and the Directors may from time to time at their discretion exercise this power and may themselves lend to the Company on security or otherwise provided that the Directors shall not contravene the provisions of Section 293 (1) (b) or any statutory modifications thereof.

Provided further that no debt incurred or security given in the excess of limit imposed by Section 293(1) (d) shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit hereby imposed had been or was hereby exceeded.

- b) The Directors may raise or secure the repayment of any sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by creation of any mortgage or charge on the undertaking on the whole or any part of the property, present or future or uncalled capital of the Company or by the issue of bonds, perpetual or any part of redeemable debentures or debenture-stock of the Company charged upon all or any part of the property of the Company both present and future including its uncalled capital for the time being.
- c) Subject to the provisions of the Act and Companies (Acceptance of Deposit) Rules, 1975 the Directors may receive deposits for such term and bearing interest at such rates as the Directors may decide from time to time. The deposits may be received from person or persons including the Directors and the shareholders of the Company.

- d) The Directors shall cause a proper register to be kept in accordance with the provisions of the Act of charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act with regard to the registration of mortgages and charges. The register of charges kept in pursuance of the Act shall be open during business hours, subject to reasonable restrictions as the Company in General Meeting may impose so that not less than two hours in each day are allowed for such inspection to any creditor or member of the Company without fee and to any other person on payment of a fee of Re. 1/- for each inspection at the registered office of the Company.

DEBENTURES

19. The Company shall have power to issue debentures but in exercising this power the provisions of Section 56(3), 64, 67, 70 to 74, 108 to 113, 117 to 123, 128, 129, 133, 134, 152, 154, 170(2) and (b), 187 and 292 or any statutory modifications thereof shall be complied with.

Debentures, debenture stock, bonds or other securities conferring the right to allotment or conversion into share or the option right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.

GENERAL MEETING

20. a) The Company shall comply with the provisions of the Act in the calling and conduct of the meeting.
- b) The Company shall hold a General Meeting of the members of the Company, which shall be called the Statutory meeting and the provisions of Section 165 or any statutory modifications thereof shall be complied with
- c) Without prejudice to the provisions of Section 167 or any statutory modifications thereof, the Company shall in addition to any other meetings hold a General Meeting, which shall be styled the Annual General Meeting at such intervals and in accordance with the provisions of the Act.
- d) All General Meetings other than the Annual General Meeting of the Company shall be called Extraordinary General Meeting.
- e) i) The Board may whenever it thinks fit call an Extraordinary General Meeting,
- ii) If at any time they are not within India, directors capable of acting who are sufficient in number to form a quorum any Director or any two members of the Company may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the board.
- iii) Extraordinary General Meeting may be called by the members under provisions of the act and by the Central Government or Company Law Board under conditions mentioned in Section 186 or any statutory modifications thereof

- f) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exceptions of:
 - i) The consideration of accounts, balance sheet and the reports of the Board of Directors and auditors.
 - ii) The declaration of a dividend;
 - iii) The appointment of Directors in the place of those retiring; and
 - iv) The appointment of and fixing of the remuneration of auditors.
- g) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid the provisions of Section 173 or any statutory modifications thereof shall be complied with.

NOTICES FOR GENERAL MEETINGS

- 21. a) A General Meeting of the Company may be called by giving not less than twenty one days notice in writing or after giving such shorter notices as provided for in Section 171(2) of the Act or any statutory modifications thereof.
 - b) Notice of every meeting of the Company shall be given;
 - i) To every member of the Company;
 - ii) To the persons entitled to a share in consequence of the death or insolvency of a member.
 - iii) To the auditor or auditors for the time being of the Company in manner provided for in Section 172 or any statutory modifications thereof.
 - c) Accidental omission to give notice to or the non/receipt of notice by any member of other person to whom it should be given shall not invalidate the proceedings of the meeting.
- 22 The First Directors of the company shall be
- 1. Sri Y.R.Nagaraja
 - 2. Sri M.Venugopal Reddy
 - 3. Sri A.Peri Reddy

No Share Qualification shall be necessary for any director and shall not be liable to retire by rotation.

CONTENTS OF NOTICE

- 23. Every notice of meeting of Company shall contain the following:
 - i) It shall specify the place, date and time of the meeting

- ii) It shall contain a statement of the business to be transacted therein.
- b) In every notice calling for a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of himself and that proxy need not be a member
- c) The Company shall in the case of a resolution to be moved as a special resolution, duly specify in the notice calling the general meeting or other intimation given to the members of the intention to propose the resolution as a special resolution.
- d) The Company shall in compliance with Section 190 read with 225, 262, 284, 330 and 379 or any statutory modifications thereof give to its members notice of resolution requiring special notice at the same time and in the same time and in the same manner as it gives notice of the meeting or if that is not practicable shall give them notice thereof either by advertisement in a newspaper having circulation in the State in which the registered office is situated not less than 21 days before the meeting.
- e) Subject to the provisions of Section 225 and 284 or any statutory modifications thereof the receipt of representation, if any made under Section 225 by a retiring auditor or by a Director sought to be removed from office as a Director must be stated in the notice of meeting given to the members of the Company if the representations are received in time.

DOCUMENTS TO BE ANNEXED TO THE NOTICE

- 24. a) Where any items of business to be transacted at the meetings are deemed to be special in accordance with the provisions of the Act a statement setting out all material facts concerning each such item of business including in particular the nature and extent of interest if any therein of every Director and the Manager if any shall be given.
- b) Where any item of business consists of the according of approval to any document by the meeting the time and place where the document can be inspected shall be specified on the statement mentioned above.
- c) i) A copy of every balance sheet including the profit and loss account the auditor's report and every other document required by law to be annexed or attached as the case may be to the Balance Sheet and which is to be laid before a General Meeting of the company shall be made available for inspection at the Registered Office during working hours for period of twenty one days before the date of meeting and the statement containing salient features of such documents in the prescribed form shall be sent to every member of the Company and to every trustee for the holders of any debentures issued by the Company not less than twenty one days before the date of meeting.
- ii) Any member/holder of debentures and any person from whom the Company has accepted a sum of money by way of deposit shall on

demand be entitled to be furnished free of cost, with a copy of the Balance Sheet of the Company and every document required by law to be annexed or attached thereto including Profit and Loss Account and Auditors Report.

25. A copy of the representation if any made under Section 225 by a retiring auditor or under section 284 by a Director sought to be removed from office shall be sent to the members of the Company as provided for in Section 225 or any statutory modifications thereof.
26. Subject to the provisions of Section 188 or any statutory modifications thereof, members resolution shall be circulated to the members of the Company entitled to receive notice of the next annual general meeting.
27. The Company shall give inspection of documents referred to in Section 165(6), 173(3), 176(7) and 230 at the commencement of or before the meeting.

REPRESENTATION AT MEETINGS

28.
 - a) A body corporate (whether a Company within the meaning of this Act or not) may if it is a member of the Company by resolution of the Board of Directors or other Government body authorising such person as it thinks fit to act as representative at any meeting of members of the Company.
 - b) The person authorised by the resolution as aforesaid shall be entitled to exercise the same right to vote by proxy on behalf of the body corporate, which he represents as that body could exercise if it were a member.
29.
 - a) Any member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint another person whether a member or not as his proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting provided however the instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding poll.
 - b) The instrument appointing a proxy and the power of attorney or authority if any under which it is signed or a notorally certified copy of that power or authority shall be deposited at the registered office of the Company not less than 48 hours before the time of holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll not less than 24 hours before the appointed time for the taking of the poll and in default the instrument of proxy shall not be treated valid.
 - c) An instrument appointing a proxy shall not be questioned if it is in any of the forms set out in Schedule IX of the Act.
 - d) A note given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

- e) Every member entitled to vote at a meeting of the Company 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 the 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.

QUORUM

- 30. a) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to transact business. Five members present in person shall be a quorum.
- b) If within half an hour from the time appointed for holding a meeting of the Company quorum is not present the meeting if called upon by the requisition of members shall stand dissolved.
- c) In any other case, the meeting shall stand adjourned to the same day and in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.
- d) If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.

CHAIRMAN OF THE MEETING

- 31. 1) a) The Chairman if any of the Board shall preside as Chairman of every general meeting of the Company.
- b) If there is no such chairman or if he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting of the Directors present shall elect one of their member to be Chairman of the meeting.
- c) If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairman of the meeting in accordance with the provisions of Section 175 or any statutory modifications thereof.
- d) i) The Chairman may with the consent of any meeting at which a quorum is present and shall if so directed by the meeting adjourn the meeting from time to time and place to place.
- ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

- iii) When a meeting is adjourned for thirty days or more notice of the adjourned meeting shall be given as in the case of an original meeting.
 - iv) Save as aforesaid it shall not be necessary to give any notice of any adjournment or of the business to be transacted at any adjourned meeting.
 - e) In case of any equality of votes, whether on a show of hands or on a poll the Chairman of the meeting at which the show of hands has taken place or at which the poll is demanded shall be entitled to a second or casting vote provided he is a member entitled to vote at the meeting and on the resolution.
 - f) Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.
 - g) Where a resolution is passed at an adjourned meeting of the Company the resolution shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
- 32.
- a) On a show of hands every member present in person shall have one vote and on a poll the voting rights of members shall be as laid down in Section 87. Before or on declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on demand made in that behalf by any member or members present in person or by proxy and holding shares and fulfilling the requirements as laid down in Section 179 of the Act, for the time being in force.
 - b) Voting rights shall be exercised in accordance with the provisions of Sections 42, 87, 88, 89, 92, 117, 178, 179, 180, 182, 183, 184 and 185 or any statutory modifications thereof and Regulation (c) hereunder read with Section 181.
 - c) In the case of joint holders the total of the senior who tenders vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint-holders. For this purpose seniority shall be determined by the order in which the names stand in the register of members.
 - d) A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.
 - e) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.
 - f)
 - i) No objection shall be raised to the qualification of any vote 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 for all purposes.

- ii) any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

- 33. At a general meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it.
 - a) Any person who is not a Director, shall, subject to the provisions of this Act, be eligible for appointment to the office of the Director at an Annual General Meeting if he or some other member intending to propose him has, not less than fourteen days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for that office, as the case may be along with a deposit of Rupees Five Hundred which shall be refunded to such person or as the case may be such member if the member succeeds in getting elected as a Director.
- 34. In the election of a Director the provisions of Section 264 or any statutory modifications thereof, shall be complied with.
- 35. In giving notice of an intention to propose a resolution as a special resolution of any matter, the Company shall have regard to the provisions of Sections 17, 21, 25(2), 31, 99, 100, 146, 208, 224A, 237, 309, 314, 323, 338, 352, 356, 357, 358, 367, 370, 375 and 484 or any statutory modifications thereof.
- 36. After passing of the resolution at the General Meeting of the Company, the Company, shall comply with provisions of Sections 192, 193, 196 and 197 or any statutory modifications thereof.

DIRECTORS AND BOARD OF DIRECTORS

- 37.
 - a) Unless otherwise determined by the Company in General Meeting, the number of Directors shall not be less than three and not more than twelve inclusive of nominee directors, technical directors, debenture directors, alternate directors, additional directors, corporation directors and administrative directors, if any.
 - b) Only one individual and not a body corporate association or firm shall be appointed Director of the Company.
 - c) Subject to the provision of the Act, the Company may in General Meeting increase or reduce the number of Directors.
 - d) The Board of Directors shall have power to appoint additional directors provided such additional directors shall hold office only up to the date of the next Annual General meeting of the Company provided further that the number of Directors and additional Directors together shall not exceed the maximum strength fixed for the Board by the Articles.

38. Subject to the provisions of Section 262 or any statutory modifications thereof, the Board of Directors shall have the power to fill up casual vacancies.
39. Subject to the provisions of Section 313 or any statutory modifications thereof, the Board of Directors shall have power to appoint a person as Alternate Director during the absence of a Director for a period of not less than three months from the State in which meetings of the Board are ordinarily held.
40. Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India Limited (IFCI), the Industrial Credit & Investment Corporation of India Limited (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Finance Corporation or Credit Corporation or any other financing Company or body herein after in this Article referred to as ("The Corporation") and Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation hold shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any Guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors which director or directors is/are herein referred to as "Nominee Director/s" on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any shares qualification in the company. Also at the option of the Corporation such Nominees Director/ s shall not be liable to retirement by rotation of Directors, subject as aforesaid the Nominee Director/ s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office only so long as the Corporation holds shares in the Company as a result of underwriting or director subscription or the liability of the company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall IP SO FACTO vacate such office immediately after the monies owing by the Company to the Corporation are paid off or on the Corporation ceasing or hold Debentures or shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

The Nominee Director's appointed under this Articles shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and Meetings of the Committee of which the Nominee Directors is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Directors sitting fees and expenses to which the other Directors of the company are entitled, and any other fees, commission monies or

remuneration in any form which is payable to the Directors of the Company. The fees, commission monies and remuneration on relation to such Nominee Directors shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the corporation or as the case may be to such Nominee directors.

Provided that if any such Nominee Directors is an officer of the Corporation the sitting fees, in relation to such Nominee Director's shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

In the event of the Nominee Director/s being appointed as whole-time Director/s, such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to Wholetime Director in the Management of the affairs of the Company. Such Nominee Directors shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

41. A person who is not a retiring Director shall not be appointed Director of the Company unless he has by himself or by his agent authorised in writing, signed and filed with the Registrar his consent in writing to act as such Director.
42.
 - 1) The Office of a Director shall be vacated if:
 - a) He is found to be of unsound mind by a Court of Competent jurisdiction.
 - b) He applies to be adjudicated as insolvent.
 - c) He is adjudged an insolvent.
 - d) He is convicted by a court in India of any offence and is sentenced in respect thereof of imprisonment for not less than six months.
 - e) He fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call.
 - f) He absents himself from three consecutive meeting of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board.
 - g) He, or any firm, in which he is a partner or any Private Company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295.
 - h) He acts in contravention of section 299.
 - i) He becomes disqualified by an order of Court under Section 203. or
 - j) He is removed in pursuance of Section 284.

- 2) Notwithstanding anything in clause (c), (d) and (i) of sub-Section (1), the disqualification referred to in those clauses shall not take effect.
 - a) for thirty days from the date of adjudication, sentence or order.
 - b) Where any appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the suspension of order, until the expiry of seven days from the date on which such appeal or petition is disposed of, or
 - c) Where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.
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- 1) Subject to the provisions of Section 297 of the Act, a Director or his relative, a firm in which such Director or relative is a partner any other partner in such a firm or a Private Company, of which such Director is member or director may enter into a contract with the Company for the sale, purchase or any supply of goods, materials or services or for underwriting the subscription of any shares in, or debentures of the Company provided that the consent of the director obtained by a Resolution passed at a meeting of the Directors before the contract is entered into or within three months of the date on which it was entered into. No such consent however, shall be necessary to any such contract or contracts for the purchase or sale of goods and materials for cars at prevailing market price or for the sale, purchase or supply of goods, materials or services in which either the Company or the Directors firm, partner or Private Company, as the case may be, regularly trades or does business provided that the value of such goods and the costs of such services do not exceed five thousand rupees in the aggregate in any calendar year comprised in the period of the contract or contracts. The Directors so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
 - 2) A Director who is in any way, whether directly, or indirectly, concerned or interest in a contract or arrangement entered into, or a proposed contract or arrangements to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest in a meeting of the Board in the manner provided in the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of Company or any such other Company or two or more of them together hold not more than two percent of the paid up share capital in such other Company or the Company as the case may be. A general notice given to the Board or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into which the body corporate firm, shall be deemed to be a sufficient disclosure, any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh

notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless either is given at meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

- 3) No Director shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is any way, whether directly or indirectly concerned or interested in such contract or arrangement, nor shall his presence count for the purpose of forming a quorum at the time any such discussion or vote, and if he does vote, his vote shall be void; provided, however, that nothing herein contained shall apply to:
- a) Any contract of indemnity against any loss, which the Directors, or anyone or more of them, suffer by reason of becoming or being sureties or a surety for the Company.
 - b) Any contract or arrangement entered into or to be entered into with a public Company or a private Company which is subsidiary of a public company in which the interests of the Director consists solely:
 - i) in his being:
 - a) Director of such Company, and
 - b) the holder of not more than shares of such number or value therein as is required to qualify him for appointment as a Director thereof he having been nominated as such Director by the Company; or
 - ii) in his being a member holding not more than two percent of its paid up Share Capital.
44. Acts done by a person as a director shall be valid notwithstanding its defect or disqualification or had terminated by virtue of any provisions in the act or in the Articles, provided that nothing in the Act shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
45. Every Director shall have such rights and powers as are provided for in the Act.
46. Every Director shall discharge such duties as are provided for the Act
47. Director shall be subject to such civil liabilities as are provided for in the Act.
48. Directors shall be subject to disability provided for in the Act
49. The office of the Director shall be vacated:

- i) On the happening of any of the conditions provided for in Section 283 or any statutory modifications thereof.
 - ii) On the contravention of the provisions of Section 314 or any statutory modifications thereof
 - iii) If a person is a Director of more than fifteen companies at a time.
 - iv) If he is disqualified under Section 274 or any statutory modifications thereof .
 - v) In the case of alternate Directors on return of the original Director, to the state, under the provisions of Section 313 or any statutory modifications thereof .
 - vi) On resignation of his office by notice in writing.
50. Subject to the provisions of the Act a Director may be appointed as Manager or Secretary of the Company.

ROTATION OF DIRECTORS

51. 1) At every Annual general Meeting all the Directors of the company are liable for retirement including the Managing Director and Joint Managing Director.

PROCEEDINGS OF THE BOARD

52. a) The Board of Directors may meet for the despatch of business, adjourn and otherwise regulate its meeting as it thinks fit, provided however the Board shall meet once in every three months in accordance with the Act.
- b) A Director may and the Manager or Secretary on the requisition of a Director shall at any time summon a meeting of the Board.
- c) The Board shall cause notice to be circulated to every director of the Company who is for the time being in India accordance with the Act.
- d) The quorum for a meeting of the Board shall be two Directors or one-third of its total strength whichever is greater as provided for in the Act.
- e) The continuing Director may act notwithstanding any vacancy in its body but if and so long as their number is reduced below the quorum fixed by Act for a meeting of the Board, the continuing Director or Directors 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.
- f) The Board may elect a Chairman of its meetings and determine the period for which he is to hold office.
- g) If no such Chairman is elected, or if at any meeting, the Chairman is not present within fifteen minutes after the time appointed for holding the meeting the Directors present may choose one of their member to be Chairman of the Meeting.

- h) The questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.
- i) Save as otherwise expressly provided by the Companies Act, 1956, 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 as valid and effectual as if it had been passed at a meeting of the Board or Committee duly convened and held.
- j) All acts done by any meeting of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defects in the appointment of Directors or persons acting as aforesaid or that they or he or any of them were or was disqualified be as valid as if every such person had been duly appointed and was qualified to be a Director.
- k) The Company shall cause to be kept minutes of all proceedings at meetings of its Board of Directors or of Committee of the Board. The minutes of a meeting shall contain a fair and correct summary of the proceedings thereat.

The minutes shall also contain;

- i) The names of the Directors present at the meeting.
- ii) In the copy of each resolution passed at the meeting the names of Directors, if any, dissenting there from or not concurring in the resolution, and
- iii) The Directors shall cause to be kept a Register of Directors in accordance with the provisions of Companies Act, 1956. The Register aforesaid shall be open to inspection by any member of the public at any time during office hours on payment of the prescribed fee. The Company shall also keep a Register of Directors, share-holdings giving the particulars required by the Companies Act, 1956.

GENERAL POWER OF THE BOARD OF DIRECTORS

- 53. a) The Board of Directors shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do;

Provided that the Board shall not exercise any power or do any act or thing, which is director or required by the Act or any other provision of law or by the Memorandum of Association of the Company or by these Articles, to be exercised or done by the Company in General Meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provision contained in the behalf in the Act or any other provision of law or the Memorandum of Association of the company or these Articles or in any regulation not inconsistent therewith and duly made thereunder, including regulations made by the Company in General Meeting.

- b) No regulations made by the Company in General Meeting shall invalidate any prior act of the Board, which would have been valid if that regulation had not been made.

SPECIFIC POWERS OF THE BOARD

54. Without prejudice to the general powers, the Board shall have the following specific powers:

- a) To carry out the objects and exercise the powers contained in clause III of the Memorandum of Association of the Company.
- b) To have the superintendent, control and direction over Managing Director, Managers, whole time Directors and all other officers of the Company.
- c) To delegate subject to the provisions of the Act, by a resolution passed at a meeting, to any Committee of Directors. Managing Director or the Manager of the Company.
 - i) Power to borrow money otherwise than on debentures.
 - ii) The power to invest the funds of the Company.
 - iii) The power to make loans.

Provided however that every resolution delegating the power in clause (I) shall specify the total amount up to which moneys may be borrowed by the delegate, every resolution delegating the power referred to in clause (ii) shall specify the total amount upto which the funds may be invested and the nature of investment which may be made, every resolution delegating the power in clause (iii) shall specify the total amount upto which loans may be made, the purposes for which the loans may be made, and the maximum amount of loans which may be made for each such purpose in individual cases:

Provided further that nothing in this regulation shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers specified above.

- d) To provide for the management of the affairs of the Company in any specified locality in or outside India and to delegate to person incharge of the local Management such powers (not exceeding those, which are delegatable by the Directors under these regulations).
- e) To appoint at any time and from time to time by a power of attorney under seal, any person or authorities to exercise such of the powers delegated to them (not exceeding those which are delegatable by the Directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with power for such attorneys to sub- delegate all or any of the powers, authorities and discretions vested in the attorney for the time being.
- f) To acquire by lease, mortgage, purchase or exchange or otherwise any property, rights or privileges which the Company is authorised to acquire at any such price generally on such terms and conditions as the Board may think fit and to sell, let,

exchange or otherwise dispose of absolutely or conditionally any property, rights or privileges and undertaking of the Company upon such terms and conditions and for such considerations as they think fit, subject however to the restrictions imposed on the Board by Act.

- g) To open any account or accounts with such Bank or Banks as the Board may elect or appoint, to operate on such accounts, to make sign, draw, accept endorse or otherwise execute all cheques, promissory notes, drafts, hundies, orders, bills of exchange, bills of lading and other discharges for money payable to the company and for the claims and demands of the Company to make contracts and to execute deeds, provided however the provisions of the Act, shall be complied with.
- h) To appoint officer(s), clerks and servants for permanent, temporary or special service as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security In such Instances and to such amount as the Board may think fit and to remove or suspend any such officers, clerks and servants.
- i) To sanction, pay and reimburse to the officers of the Company in respect of any expenses incurred by them on behalf of the Company.
- j) To invest and deal with any of the moneys of the Company.
- k) To refer claims or demands by or against the Company to arbitration in accordance with the provisions of the Act.
- l) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment of, satisfaction or any debt due and of claims or demands by or against the Company and of appoint solicitors, Advocates, Counsel and other legal advisers for such purposes or for any other purposes and settle and pay their remunerations.
- m) To act on behalf of the Company in all matters in which the Company is interested.
- n) To pay and give gratuities, pensions and allowances to any persons including the Director, to his widow, children or dependants, that may appear to the Directors just or proper whether any such person, widow, children, or other dependants have or not a legal claim upon the Company and whether such person is still in the service of Company or has retired from its service, or to make contributions to any funds and pay premiums for the purchase or provisions of any such gratuity, pension or allowance.
- o) To establish maintain, support and subscribe to any charitable or public object or any society institution, or club which may be for the benefit of the Company or its employees.
- p) To set aside portion of the profits of the Company to form a fund or funds before recommending any dividends for the objects mentioned above.

- q) To make and alter rules and regulations concerning the manner of payment of the contributions of the employees and the Company respectively to any such fund and the accrual, employment, suspension and forfeiture of the benefits or the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said funds as Directors shall from time to time think fit.
- r) To exercise the powers conferred by the Act, with regard to having a seal for use abroad.
- s) To exercise the powers conferred on the Company by the Act with regard to the keeping of foreign registers.
- t) To authorise any person to sell any goods or articles manufactured or produced by the Company or to purchase obtain or acquire machinery, stores, goods or materials for the purpose of the Company, or to sell the same when no longer required for those purposes.
- u) To exercise other powers referred to under these regulations not specifically mentioned in this regulation but referred to in other regulations in these Articles.
- v) To determine by resolution from time to time the name of person or persons who shall be entitled to do all or any act mentioned in this regulations in these Articles.

SPECIFIC DUTIES OF THE BOARD

- 55. a) The Board shall call Extraordinary General Meeting on requisition by members in accordance with the Act.
- b) There shall be attached to every Balance Sheet laid before the Company in General Meeting a report by the Board of Directors in accordance with the provisions of the Act.
- c) The Board shall cause to be laid before the Company in General Meeting the Balance Sheet and Profit and Loss account in accordance with the Act.
- d) The Board shall cause to be kept at its Registered Office, Registers, Books and documents, of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956, and Schedule VIII to the Act be kept open for such inspection by the persons entitled thereto, during office hours, under the above said provisions to the extent, in the manner and on payment of the fees, if any, specified on the aforesaid provisions at Registered Office of the Company during office hours on any working day, except when the registers and books are closed under the provisions of the Companies Act, 1956, or by the Articles of Association of the Company.

Provided however that the Register required to be maintained under the Act shall be open for inspection of the members of holders of debentures of the Company, if any aforesaid between the times above mentioned during the period prescribed by sub-section 5 (a) of Section 307.

- e) The Board shall cause to be sent to the Registrar as and when required the returns mentioned in the Act
- f) The Board shall cause to give copies of documents to any member or to any other persons in accordance with the provisions of the Act.
- g) To Board shall cause the despatch of abstracts and memorandum referred to in the Act.

CERTAIN POWERS TO BE EXERCISED BY BOARD ONLY AT MEETINGS

- 56. a) The Board shall exercise the following powers on behalf of the Company only by means of resolutions passed at Meetings of the Board:
 - i) The power to make calls on share holders in respect of money unpaid on their shares.
 - ii) The power to issue debentures/shares;
 - iii) The power to invest the funds of the Company; and
 - iv) The power to make loans, and shall exercise these powers in accordance with the Act.
- b) The Board shall also exercise such of the powers required to be exercised by the Act as per the provisions of the Act.
- 57. a) Subject to the provisions of the Act apart from items requiring unanimous resolution of the Board of Directors, questions arising at any meeting of the Board shall be decided by a majority of votes.
- b) In case of any equality of votes, the Chairman of the Board, if any, shall have a second or casting votes.
- 58. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or to all members of committee then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or Members at their usual address in India and has been approved by such of the Directors or members or by a majority of such of them as are entitled to vote on the resolution.

RESTRICTIONS ON THE POWERS OF BOARD

- 59. a) The Board shall not exercise the borrowing powers without the consent of the Company in General meeting and only to the extent mentioned therein or any statutory modifications thereof.
- b) In the appointment of sole selling agents for the Company for any area, the Board shall conform to the provisions of the Act.

- c) In giving loans to Directors and other persons mentioned in the relevant provisions of the Act, the Board shall conform to the provisions of that section.

MANAGEMENT

60. The Board of Directors may, from time to time and subject to the regular approval of the Company in the General Meeting and also that of the Central Government under the provisions of the Companies Act, 1956 appoint a Managing Director, Joint Managing Director, Technical Director, on such terms and conditions and for such period that they may consider proper.
61. The Managing Director and the Joint Managing Director shall be responsible for carrying on and conducting the business of the Company subject to the supervision directions, and control of the Board of Directors. In the conduct and Management of the said business, the Managing Director and the Joint Managing Director may exercise such powers, authorities and discretions, as may from time to time be vested in them under an agreement or delegated to them by the Board of Directors.
62. The Managing Director and the Joint Managing director are also liable to retirement by rotation.

MANAGER

63. Subject to the provisions of Section 197 A of the Act, the Company may appoint a person as Manger, as defined in Section 2 (24) of the Companies Act, provided; however, no firm, body corporate or association shall be appointed as Manager.
64. In the appointment of a person as Manager of the Company the provisions of the Act shall be complied with.
65. Any assignment of office by the Manager of the Company shall be void.
66. No person shall be appointed Manager of the Company for more than a period of five years and in making such appointment, the provisions of the Act shall be complies with.

REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES

67. Payment of remuneration of Directors including Managing and whole time Directors, Managers, if any, shall be subject to the provisions of the Act.
68. In fixing the remuneration of employees of the Company other than Directors and Manager the provisions of the Act shall be complied with.
69. In fixing the remuneration of Directors, including Managing and Wholetime Directors, the provisions of the Act shall be complied with.
70. The Managing Director of the Company may subject to the provisions of the Act receive remuneration either by way of monthly payment or by way of specified percentage not exceeding 5% in the net profits of the Company calculated in the manner laid down in the Act or partly by the one way and partly by the other.

71. The Directors shall from time to time decide their own remuneration for the attendance of the Board Meeting not exceeding such sum as may be prescribed by the Act, or the Central Government from time to time.
72. Travelling and Daily Allowance of Directors, Members of any committee and travelling on Company's business for attending the Board / Committee Meeting may be paid/reimbursed in actual basis incurred by the Directors/members of the Committee from time to time unless otherwise decided by the Board of Directors.
73. If any Directors being willing shall be called upon to perform extra services or to make any special exertions in going or residing abroad or in negotiating or carrying into effect any contracts or arrangements by the Company or otherwise for any purposes of the Company, or act as trustee for the Company or its debenture-holders, and shall do so, the company may remunerate such Directors either by a fixed sum and/or percentage of profits or otherwise as may be permissible under the Companies Act.

AUDIT

74. Auditors shall be appointed and their duties regulated in accordance with the Act.

SEAL

75. The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time, to destroy the same and substitute a new seal in lieu thereof.
76. The seal of the company shall not be affixed on any instrument except by the authority of a resolution of the Board of Directors or a committee of the Board authorised by it in that behalf, and except in the presence of any one director and either Secretary or any authorised person of the Company as the Board may appoint for the purpose and such director or the secretary or such other person as aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

77. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.
78. 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.
79. a) The Company shall transfer to a Reserve such percentage of its profits for the year, as prescribed by Transfer of (Profits to Reserve) Rules, 1975, before declaring or paying dividends out of profits of the current year.
- b) The Board may also carry forward any profits, which it may think prudent not to divide.
- c) Subject to the rights of the persons, if any, entitled to a share 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 where of the dividend is paid, but if and so long as nothing is paid up on any of the shares in the Company dividends may be declared and paid according to the amounts of the shares.

- d) No amount paid or credited as paid on a share in the advance of calls shall be treated for the purpose of this regulation as paid on the shares, and shall not in respect thereof confer a right to participate in the profits of the Company.
 - e) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any 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.
80. The Board may deduct from any dividend payable to any member all sums of money if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.
81.
 - a) Any General Meeting declaring a dividend or bonus may direct payment of such dividend or bonus wholly or partly by the distribution of specific assets and the Board shall give effect to the resolution of the meeting.
 - b) Where any difficulty arises in regard to such distribution, the Board may settle the same as it thinks expedient, and in particular, may issue fractional certificates, and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any member upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board.
 - c) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheques 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.
 - d) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
 - e) Any one of the two or more joint holders of a share may given effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.
 - f) 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.
 - g) No dividend shall bear interest against the Company.
82. Any Annual General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend if so arranged between the Company and the member be

set off against the call. The making of a call under this clause shall be deemed ordinary business of an Annual General Meeting, which declares a dividend.

83. All dividends on any share not having a legal registered owner entitled to require payment of and competent to give a valid receipt shall remain in suspense until some competent person be registered as the holder of the share.
84. The Board shall transfer the unpaid dividends within 7 days of the expiry of 30 days from the date of declaration of the dividend to special account with a scheduled Bank to be known as "unpaid Dividend Account". Any money transferred to the unpaid dividend of Company which remains unpaid or unclaimed for 7 years from the date of such transfer, shall be transferred to the Fund established under sub-section (1) of section 205C.

CAPITALISATION OF PROFITS

85. a) The Company in General Meeting may upon the recommendation of the Board resolve:
- i) That is desirable to capitalise any part of the amount for the time being 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
 - ii) That such sum be accordingly set free for distribution amongst the members who would have been entitled thereto. If distributed by way of dividend and in the same proportions.
- b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:
- i) Paying up any amounts for the time being unpaid on any shares held by such members respectively.
 - ii) Paying up in full unissued shares or debentures of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members as the proportions aforesaid; or
 - iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- c) A share premium account and a capital redemption reserve fund may for the purpose of the regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- d) The Board shall give effect to the resolution passed by the Company in pursuance of the regulation.
86. a) Whenever such a resolution as aforesaid shall have been passed the Board shall:
- i) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issue of fully paid shares or debentures, if any and

- ii) Generally to do all acts and things required to give effect thereto.
- b) The Board shall have full powers:
 - i) To make such provisions by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions, and also
 - ii) 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 or debentures 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 the profits resolved to be capitalised of the amounts remaining unpaid on their existing share.
- c) Any agreement made under such authority shall be effective and binding on all such members.

DEMATERIALISATION OF SHARES

- 87. Either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a Depository in electronic, form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereof, shall be governed by the provisions of the Depositories Act, as amended from time to time or any statutory modification thereto or enactment thereof.
- 88. Notwithstanding anything contained in these Articles, the Company shall be entitled to de-materialise its existing securities, rematerialise its securities held in the Depositories and/or offer its fresh securities in a dematerialised form pursuant to the Depositories Act and the rules framed thereunder, if any.
- 89. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottees as the Beneficial Owner of the security.
- 90. All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owners.
- 91. 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.
- 92. 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 securities, which are held by a Depository.

93. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognise any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
94. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
95. Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.
96. If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.

The Depository shall on receipt of information as above make appropriate entries in its records and shall inform the Company.

The Company shall, within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.

97. Except as specifically provided in these Articles, the provisions relating provisions to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to held in physical form subject to the provisions of the Depository Act.
98. The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held In material form shall continue to bear the number by which the same was originally distinguished.
99. The Company shall cause to be kept a Register and Index of Members and a Register and Index of Debenture holders in accordance with Sections 151 and 152 of the Act respectively, and the Depositories Act, with details Equity shares and debentures held in material and dematerialised forms in (any media as may be permitted by law including

in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act shall be deemed to be Register and Index of Members and Register and Index of Debenture- holders, as the case may be, for the purposes of the Act. The Company shall have the power to keep in any state or country outside India, a branch Register of Members resident in that state or country.

ACCOUNTS

100. The Company shall comply with the provisions of the Act with regard to the keeping of accounts, preparation of Balance Sheet and Profit and Loss Account.
101.
 - a) The Board shall from time to time determine whether and to what extent and at what times and places and under which conditions or regulations, the accounts and books of the company or any of them shall be given to the inspection of members not being Directors.
 - b) No member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the regulations or authorised by the Board or by the Company in general meeting.
102. Every account of the Company, when audited and approved by an Annual General Meeting, shall be conclusive.

WINDING UP

103. If the Company shall be wound up, and the assets, available for distribution among the members as such, shall be insufficient to repay the whole of the paid up capital shall be distributed so that as nearly as may be, the 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 the 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 paid up or which ought to have been paid up on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders issued upon special terms and conditions.
104. If the Company shall wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of special resolution, divide among the contributors, in specie or kind any part of the assets of the company as trustees for the benefit of the contributories or any of them, as the liquidators, with the sanction, shall think fit, but that any member shall be compelled to accept any shares or other securities whether there is any liability.

SECRECY

105. Every Director, Secretary, Manager, Auditor, Trustee, Member or Committee Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall before entering upon the duties sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with consumers and the state of accounts with individuals and in all matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may have come to his knowledge in the discharges of his duties except when required to do so by the Directors or by any

meeting of the shareholders or by a Court of Law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions of these Articles of Association.

106. Any Director or Officer or the company shall be entitled, if he thinks fit to, decline to answer any question concerning the business of the Company which may be put to him on any occasion including any meeting of the Company on the ground that the answer to such question would disclose or tend to disclose the trade secret of the Company.
107. Any officer of employees of the Company proved to the satisfaction of the Board of directors to have been guilty of disclosing the secret of the Company shall be liable to instant dismissal without notice and payment of damages.

INDEMNITY

108.
 - a) Every Director of the Company, Manager, Secretary, and other officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors to pay out the funds of the Company costs losses and expenses (including travelling expenses) which any such Director, Officer or Employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such director, officer or servant or in any way in the discharge of his duties.
 - b) Subject to as aforesaid every Director, Manager, Secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceeding whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any application under the provisions of this Act in which relief is given to him by the Court.
109. No Director, Auditor or other officer of the Company shall be liable for the acts, receipts or defaults of any other Directors or Officer, for joining in any receipts or other acts for confirmity any loss or expenses happening to the Company through the insufficiency, or deficiency of title to any property acquired by order of the Directors for on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortuous act of any person with whom any moneys, securities, or effects shall be deposited, or for any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same happens through his own dishonesty.

Sl.No.	Names, Address, Descriptions, Occupations and Signatures of the Subscribers	Name, Address, Description, Occupation and signature of the witness
1)	Sd/- Y.R.NAGA RAJA S/o. Late Y.K.Ratnakar D4-108, Shanti Shikara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad. Occu : Business	
2)	Sd/- P.SATYANARAYANA REDDY S/o. Nagabhushana Reddy D4-115, Shanti Sikhara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad. Occ : Business	Sd/- S.V.R.VISWESARA RAO S/o. S.V.Subba Rao No.2,A-1, Habib Apartments, Punjagutta, Hyderabad. Chartered Accountant
3)	Sd/- A.PERI REDDY S/o. A. Dasaratha Rami Reddy D4-115, Shanti Sikhara Apartments, Raj Bhavan Road, Somajiguda, Hyderabad Occ: Business	

Place: Hyderabad
Date: 28-07-1995