

SKIL

MINUTES OF THE NINETEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF SRI KANYAKA INVESTMENTS LIMITED HELD ON FRIDAY, JUNE 14, 2013, AT 11 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT UNIT NO. 404, FOURTH FLOOR, ASHOKA CAPITOL, ROAD NO. 2, BANJARA HILLS, HYDERABAD-500 034, ANDHRA PRADESH

DIRECTORS' PRESENT:

- | | | |
|----------------------------------|---|---------------------|
| 1. Mrs. Sailaja Yarrapothu | - | Director |
| 2. Mr. T. Rama Mohan Rao | - | Director |
| 3. Mr. Venkata Subba Rao Mandava | - | Director |
| 4. Mr. Satish Vankayalapati | - | Additional Director |

MEMBERS PRESENT:

In Person – 14 (Fourteen) members

In Proxy - 11 (Eleven) members

INVITEES:

- | | | |
|-----------------------------|---|---|
| 1. Mr. G V Pratap Kumar | - | M/s Ghantasala & Co., Statutory Auditors |
| 2. Mr. E S K Prasad | - | Venture Capital and Corporate Investments Private Limited |
| 3. Mr. Manoj Kumar Koyalkar | - | M/s AGR Reddy & Co., Company Secretaries |

CHAIRPERSON OF THE MEETING

The Members unanimously elected Mrs. Y. Sailaja as the Chairperson of the meeting. Thereafter, the Chairperson occupied the Chair and conducted the proceedings of the Meeting.

QUORUM

The Chairperson welcomed the members to the meeting and after ascertaining that the required quorum for the meeting was present, the Chairperson called the meeting to order.

REGISTER OF DIRECTOR'S SHAREHOLDING

The Chairperson informed the meeting that the register of Director's Shareholding maintained by the Company pursuant to Section 307 of the Companies Act, 1956, would remain open and accessible during the continuance of the meeting to every person having the right to attend the meeting.

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NOTICE OF THE MEETING

With the permission of the Chair, and members present, the notice convening the Nineteenth Annual General Meeting of the Company, which was already been lying with the members was taken as read.

DIRECTOR'S REPORT

With the permission of the Chair, and members present, the Directors Report, which was already been lying with the members was taken as read.

OPENING REMARKS OF THE CHAIRPERSON

Addressing the Shareholders, the Chairperson reviewed the overall status of Indian economy in respect of NBFC Sector, especially relating to SME sector and spelt out the future plans of the Company.

The Chairperson expressed that the Company is committed to adhere to strict Corporate Governance policies by way of forming various independent committees within the Company. The Chairperson also highlighted the efforts of the management being put in to revive the overall operations of the Company.

The Chairperson then summarized the performance of the Company during the Financial Year 2012-2013. She mentioned that the results of the entire Financial Year were encouraging as compared to that of previous years, in spite of the global financial crisis and the uncertain economic climate in India.

She concluded her opening remarks by focusing on the Company's plans.

AUDITORS REPORT

The Chairperson then requested Mr. G V Pratap Kumar, representative of Messrs Ghantasala & Co., Statutory Auditors to read the Auditors' report to the members which was accordingly read.

FURTHER PROCEEDINGS

The Chairperson thereafter declared that the copies of Audited Annual Account for the year ended March 31, 2013 and Director's and Auditor's report have been posted, to all the members and the original documents are available for inspection. The Chairperson further declared that the Audited Annual Accounts be taken as read with the consent of the members.

He thanked each and every customer, employees and shareholders for their continued support in building SKIL to its present form.

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The Chairperson then invited the members to discuss the Annual Report and seek clarifications if any, on the Audited Annual Accounts of the Company. No queries were raised by any of the shareholders.

Thereafter, the Chairperson took up the resolutions one by one.

The Chairperson thereafter took up the following items in the consideration:

ORDINARY BUSINESS

ITEM NO. 1 - TO RECEIVE, CONSIDER AND ADOPT THE AUDITED BALANCE SHEET AS AT MARCH 31, 2013 AND PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE, TOGETHER WITH REPORTS OF DIRECTORS' AND AUDITORS' THEREON

The Chairperson invited the queries on the Audited Annual Accounts of the Company and the Director's Report and the report of Auditor's thereon.

There being no queries, thereafter Mr. Kamal Kishore, Member had proposed and Mr. Y Koti Babu, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

“RESOLVED THAT in terms of Section 210 and other applicable provisions, if any, of the Companies Act, 1956 the Balance Sheet as at March 31, 2013 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors' and Auditors' thereon be and are hereby received, considered and adopted.”

“RESOLVED FURTHER THAT the Board, be and are hereby authorized to take such steps as may be necessary in relation to the above and file such documents with the Registrar of Companies, Andhra Pradesh.”

ITEM NO. 2 - TO RE-APPOINT MRS. Y.SAILAJA AS DIRECTOR WHO RETIRES BY ROTATION

As Mrs. Sailaja Yarrapothu is interested in passing this resolution, she stepped down as Chairperson for passing this resolution. The Shareholders unanimously elected Mr. Satish Vankayalapati as Chairman of the meeting. Thereafter the Chairman occupied the Chair and conducted the proceedings of the meeting.

The Chairman apprised the members that Mrs Sailaja Yarrapothu, was appointed as Director of the Company liable to retire by rotation and her term expires at the Annual General Meeting of the Company. The Company has received a notice in writing proposing his candidature for the office of the Director.

Mr. Ch. N V Satyanarayana Rao, Member had proposed and Ms. Ch. Rajani, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

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“RESOLVED THAT pursuant the provisions of Section 256 and other applicable provisions, if any, of the Companies Act, 1956, Mrs. Sailaja Yarrapothu, who retires by rotation, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation.”

ITEM NO. 3 – TO RE-APPOINT MR. VENKATA SUBBA RAO MANDAVA AS DIRECTOR WHO RETIRES BY ROTATION

Mrs. Sailaja Yarrapothu, Director resumes as Chairperson to conduct the further proceedings of the Annual General Meeting. The Chairperson appraised the Members that Mr. Venkata Subba Rao Mandava was appointed as Director of the Company liable to retire by rotation and his term expires at the Annual General Meeting of the Company. The Company has received a notice in writing proposing his candidature for the office of the Director.

Mr. Suresh Rao, Member had proposed and Mr. Kamal Kishore, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

“RESOLVED THAT pursuant the provisions of Section 256 and other applicable Provisions, if any, of the Companies Act, 1956, Mr Venkata Subba Rao Mandava, who retires by rotation, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company, liable to retire by rotation.”

ITEM NO. 4 - RE-APPOINTMENT OF STATUTORY AUDITORS

The Chairperson apprised the Members that in terms of Section 224 of The Companies Act, 1956, the Statutory Auditors are to be appointed, subject to the approval of the members in the Annual General Meeting for auditing the Annual Accounts of the Company for Financial Year 2013-2014. He further informed that the existing Statutory Auditors, M/s Ghantasala & Co., have signified their willingness for their re-appointment and the Company has received a certificate under Section 224(1B) of the Companies Act, 1956, to hold office of Statutory Auditors of the Company, from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.

Ms. Anuradha D, Member had proposed and Ms. V Anarkali, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

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“RESOLVED THAT pursuant to the provisions of Section 224(1) of the Companies Act, 1956, M/s. Ghantasala & Co., Chartered Accountants, the retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office, from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

ITEM NO. 5 - APPOINTMENT OF MR SATISH VANKAYALAPATI AS DIRECTOR OF THE COMPANY

The Chairperson apprised the Members that Mr. Satish Vankayalapati was appointed as an Additional Director of the Company on 14.02.2013 and his term expires at the Annual General Meeting of the Company pursuant to section 260 of the Companies Act, 1956. The Company has received a notice in writing proposing his candidature for the office of the Director, liable to retire by rotation.

Mr. T Rama Mohana Rao, Member had proposed and Mr. Kamal Kishore, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

“RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956, and other applicable provisions of the Companies Act, 1956, Mr. Satish Vankayalapati who has been appointed as an Additional Director of the Company with effect from February 14, 2013 be and is hereby appointed as Director of the Company, liable to retire by rotation.”

ITEM NO. 6 - TO INCREASE THE BORROWING POWERS OF THE COMPANY

The Chairperson has appraised members that in order to meet the growing challenges of the market the Company has to enhance its borrowing limits so as to infuse the funds for building the growth of the Company and to increase its scope its business operations.

Ms. Ch. Rajani, Member had proposed and Mr. Srinivasa Rao, Member seconded the resolution. The Chairperson then put the resolution to vote by show of hands and same was passed unanimously as a special resolution.

“RESOLVED THAT pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act 1956, the consent of the members be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs.200 Crores [Rupees Two Hundred Crores] in excess of the aggregate of the Paid up capital and Free reserves [including the money already borrowed by the Company] in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in

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any respect of all, or any of the Company's assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose".

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter called "the Board" which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) be and is hereby authorized for borrowing from time to time as it may think fit, any sum or sums of money but not exceeding Rs.200 Crores [Rupees Two Hundred Crores] in excess of the aggregate of the Paid up capital and free reserves in Indian Rupees or equivalent thereof in any foreign currency(ies) in aggregate (including the monies already borrowed by the Company) and on such terms and conditions as the Board may deem fit, by way of loans or in any other form whatsoever from, or issue of Bonds and/or Debentures or other Securities whether Convertible into Equity/Preference Shares and/or Securities with or without detachable warrants with a right exercisable by the warrant holder(s) to convert or subscribe to Equity/Preference Shares (hereinafter referred to as "Securities"), to Bank(s), Financial or other Institution(s), Mutual Fund(s), Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) or any other person(s), body(ies) corporate, etc., whether shareholder of the Company or not".

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto."

ITEM NO. 7 - TO INCREASE THE AUTHORISED SHARE CAPITAL OF THE COMPANY

The Chairperson has appraised the members that in view of increasing financial requirements of the Company it was proposed to increase the Authorised Share Capital of the Company.

Mr. Y Koti Babu, Member had proposed and Mr. Kamal Kishore, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

"RESOLVED THAT pursuant to Section 94, 97 and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from Rs. 3,50,00,000/- (Rupees Three Crores and Fifty Lakhs only) divided in to 35,00,000 (Thirty Five Lakhs only) Equity Shares of Rs. 10/- (Rupees ten only) each to Rs 10,00,00,000/- (Rupees Ten Crores only) divided in to 1,00,00,000 (One Crore only) Equity shares of Rs. 10/- (Rupees Ten only) each."

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ITEM NO. 8 - TO ALTER THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

The Members were informed that in view of the increase in Authorised capital of the Company, Clause V - Capital Clause of the Memorandum of Association is required to be altered.

Mr. Pankaj Kumar, Member had proposed and Mr. T Rama Mohan Rao, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as an ordinary resolution.

“RESOLVED THAT pursuant to Section 16 of the Companies Act, 1956, the existing Capital Clause V of the Memorandum of Association of the Company be and is hereby substituted with the following.”

Clause V

The Authorized share capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Company will have the right to increase or reduce its capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, qualified or special rights privileges or conditions as may be determined by or in accordance with the regulations of the Company for the time being to vary modify or abrogate any such rights, privileges or conditions in such manner as for the time being be provided by the Companies Act , 1956 or provided by the Company for the time being.

ITEM NO. 9 - TO ALTER THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Members were informed that in view of the increase in Authorised Share capital of the Company, Article 3 of the Articles of Association is required to be altered.

Ms. Anuradha D, Member had proposed and Mr. T Rama Mohana Rao, Member seconded the resolution. The Chairperson then put the resolution to Vote by show of hands and same was passed unanimously as a special resolution.

“RESOLVED THAT pursuant to Section 31 the existing Article 3 of Article of the Articles of Association of the Company be and is hereby substituted with the following:”

3. The Authorised Share Capital of the Company is as specified under Clause V of the Memorandum of Association of the Company. The Company may increase or reduce the capital and divide the shares in the capital for the time being into several classes and attach thereto respectively such preferential, qualified or special rights, privileges or conditions in such manner, as the Board of Directors may deem fit from time to time.

“RESOLVED FURTHER THAT the Directors be and is hereby severally authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary,

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expedient and incidental thereto to give effect to these resolutions and for matter connected therewith or incidental thereto.”

VOTE OF THANKS

There being no other business to transact, the meeting concluded with a vote of thanks to the Chair.

Date: 14.06.2013
Place: Hyderabad



J. Saibga
CHAIRPERSON

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