

APARNA ENTERPRISES LIMITED

(An ISO 9001 : 2015 Company)



EXTRACT OF THE EXTRA-ORDINARY GENERAL MEETING OF THE MEMBERS OF APARNA ENTERPRISES LIMITED ("COMPANY") OF THE FINANCIAL YEAR 2019 - 20 IS PROPOSED TO BE HELD ON FRIDAY, 6TH DAY OF MARCH, 2020 AT D.NO 8-2-293/82/A, PLOT NO.1214, ROAD NO.60, JUBILEE HILLS HYDERABAD, TELANGANA-500033, INDIA AT 12:30 P.M.

Item No.1:

ALTERATION OF ARTICLES OF ASSOCIATION OF THE COMPANY

Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of shareholders be and is hereby accorded to insert below mentioned Article in the Articles of Association of the Company:

- 45 Subject to the provisions of the Act and other Laws as may be applicable from time to time, the Company shall have powers to issue, allot, redeem, convert any debentures, debenture-stock or other Securities with such terms and conditions as may be decided by the Board with the consent of the member in the General Meeting of the Company.

RESOLVED FURTHER THAT consequent to the incorporation of aforesaid article, all the articles shall be numbered serially and page numbering be done accordingly;

RESOLVED FURTHER THAT approval of the member be and is hereby accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things as may be deemed desirable for giving effect to the aforesaid resolutions;

RESOLVED FURTHER THAT each Director or the Company secretary of the Company be and is hereby severally authorized to certify a copy of the above resolutions and provide the same to any person."

Item No.2:

ISSUANCE OF OPTIONALLY CONVERTIBLE DEBENTURE ("OCDs")

Special Resolution

"RESOLVED THAT in accordance with the Section 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules made there under, including any amendments thereto or re-enactment thereof and subject to Articles of Association of the Company and such other approvals and permissions, as may be necessary and as recommended by the Audit Committee of the Company and as approved by the Board of Directors of the Company ("Board"), the consent of the members of the Company be is hereby accorded to the Board to





issue and allot 1,00,00,000 (One Crore) Secured Optionally Convertible Debentures ("OCDs") of the face value of Rs. 100 (Rupees one hundred) each, for an aggregate consideration of Rs. 1,00,00,00,000 (Rupees One Hundred Crore) to Aparna Constructions and Estates Private Limited ("Applicant") in one or more tranches, each tranches being serially numbered, by way of private placement, in accordance with the terms and conditions as set out at Schedule 1 and in the private placement offer letter in Form PAS-4 ("PPOL"), approved by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, consent of the members be and is hereby accorded to the Board to negotiate, finalize, decide, alter, vary, revise and modify the PPOL in the manner prescribed under the Companies Act, 2013 and the rules made thereunder, and to do such other acts, deeds and things as may be deemed necessary in this regard.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue the PPOL together with application form (as per draft placed before this meeting and initialed by the Chairman for identification) to the Applicant inviting to subscribe to the issue.

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013, the Company shall complete the allotment of OCDs on or before expiry of 12 months from the date of passing of the resolution by the shareholders.

RESOLVED FURTHER THAT the Board and/or Company Secretary of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things including but not limited to making regulatory filings/applications with concerned authorities and obtain any approvals, permissions as it may at its discretion deem necessary for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.

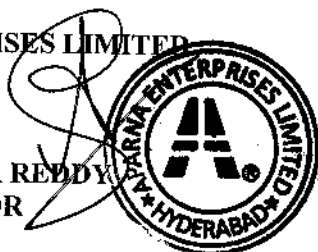
RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

RESOLVED FURTHER THAT each Director or the Company secretary of the Company be and is hereby severally authorized to certify a copy of the above resolutions and provide the same to any person."

//CERTIFIED TRUE COPY//

For APARNA ENTERPRISES LIMITED

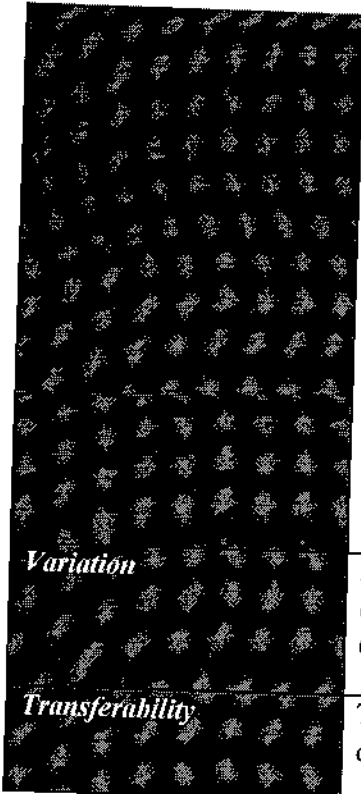
SANNAREDDY APARNA REDDY
WHOLETIME DIRECTOR
DIN: 00021443



SCHEDULE-1

Terms and conditions of the OCDs

Face Value / Issue Price per OCD	Rs. 100 per OCDs
Interest on CCD	The interest shall be at the rate of 6% per annum, which shall accrue to the OCDs holder and shall be due and payable at the end of each quarter.
Security	<p>The principal amount of OCDs to be issued together with all interest due on the OCDs in respect thereof shall be secured as follows:</p> <ol style="list-style-type: none"> Initially, the securities of Aparna Profiles Private Limited and Rollform Technologies Private Limited shall be pledged to OCDs Holder Subsequently, the security as mentioned in clause point a) shall be replaced by mortgaging/hypothecating the assets acquired by the Company from the amount received from OCD Holder. <p>At all times during the tenure of the OCDs, the Company ensures to maintain charge of OCDs holder on the assets adequate to ensure atleast 100% asset cover for the secured OCDs (along with the interest due thereon).</p>
OCDs Tenure	The tenure of OCDs shall be 10 (Ten years) from the date of its issuance
Conversion/Redemption	<p>a) Conversion:</p> <p>The OCDs holder will have the put option for conversion of OCDs into Equity any time after expiry of 9 years from the date of allotment but before the completion of the OCDs Tenure. However, the OCDs holder shall give 60 days' notice in writing before exercising such put option.</p> <p>The price of the Conversion shall not be earlier than thirty days of the date on which the debenture holder becomes entitled for conversion.</p>



The conversion price shall be decided as per the valuation report obtained from Registered Valuer and/or as per the provisions of applicable laws existing at the time of such conversion.

b) Redemption

If the OCDs holder does not opt for conversion of the OCDs until the last date of conversion, the Company shall redeem the OCDs on the last date of the OCDs Tenure.

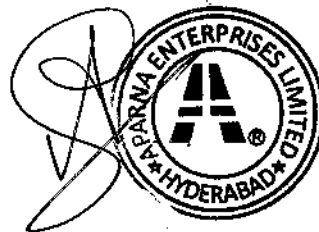
The Company has call option to call for redemption of Debentures any time post 9 years after the date of allotment of the OCDs and upto the last date of the OCDs Tenure.

Variation

Any variation in terms of the OCDs after the allotment thereof will be valid only if consented by the OCDs holder and in accordance with provision of Companies Act, 2013 or any other applicable laws.

Transferability

The OCDs can be transferred by the OCD holder only with the prior consent of the Company.



EXPLANATORY STATEMENT

Item No.1

The Company may issue securities in future as a part of expansion and therefore, Company wish to include enabling article in Articles of Association for issue of securities with such terms and condition as may be required from time to time. In view, of the same the Board incorporate article 45 as stated below:

- 45 Subject to the provisions of the Act and other Laws as may be applicable from time to time, the Company shall have powers to issue, allot, redeem, convert any debentures, debenture-stock or other Securities with such terms and conditions as may be decided by the Board with the consent of the member in the General Meeting of the Company.**

Further, consequent to incorporation of aforesaid article, all the articles shall be serially numbered and page numbering be done accordingly.

In view of the aforesaid and pursuant to the provisions of Section 14 of the Companies Act, 2013, amendment of the Articles of Association of a Company requires the approval of the shareholders by way of a special resolution.

Accordingly, this matter is placed before the shareholders for approval. A copy of the existing and new Articles of Association of the Company is available for inspection at the Registered Office of the Company during "business hours" on any working day.

None of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

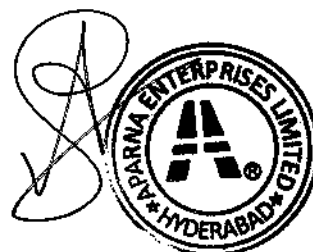
The Board recommends the Special Resolution set out at Item No. 1 of the Notice for the approval by the members.

Item No.2

In order to meet the capital expenditure requirement of the Company, it is proposed to issue Optionally Convertible Debentures to Aparna Constructions and Estates Private Limited in one or more tranches, on a private placement basis upto Rs. 100,00,00,000 (Rupees One Hundred Crore). This limit will be tracked on the basis of the actual allotted amount of OCDs during 12 months from the date of passing this resolution by the shareholders.

It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, as amended from time to time, allows a company to pass a Special resolution once in a year for all the offer or invitation for the OCDs to be made during 12 month through a private placement in one or more tranches.

Information required to be disclosed pursuant to Chapter III Part I Rule 14 sub rule (1) of the Companies Act, 2013:



a)	Particulars of the offer including date of passing of Board resolution	Secured Optionally Convertible Debenture. for an amount not exceeding Rs. 100,00,00,000 (Rupees One Hundred Crore) in one or more tranches on a private placement basis at a coupon rate of 6% per annum, which shall accrue to the OCDs holder and shall be due and payable at the end of each quarter and on such terms and condition as stated in the resolution. Date of passing Board resolution 18 th February, 2020
b)	kinds of securities offered and the price at which security is being offered	Secured Optionally Convertible Debenture at a price of Rs. 100 per Debenture
c)	Basis or justification for the price (including premium, if any) at which the offer or invitation is being made;	OCDs are being issued at par on a private placement basis with an option of conversion into Equity Shares. The price of the resultant shares will be determined at the time of conversion as per the applicable laws.
d)	name and address of valuer who performed valuation;	Not applicable in case of issue of OCDs
e)	amount which the company intends to raise by way of such securities	Rs. 100 crores (Rupees One hundred Crores)
f)	Material terms of raising such securities,	As stated in the Schedule-1 (Terms and Condition) annexed to the resolution.
g)	Proposed time schedule,	The allotment of the OCDs made pursuant to proposed resolution shall be completed within a period of twelve months from date of passing of Special resolution.
h)	Purposes or objects of offer	For the purpose of meeting capital requirement of the Company
i)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of objects;	No contribution will be done by promoter as OCDs are specifically being offered to Aparna Constructions and Estates Private Limited, on private placement basis.
j)	Principle terms of assets charged as securities	The principal amount of OCDs to be issued together with all interest due on the OCDs in respect thereof shall be secured as follows: c) Initially, the securities of Aparna Profiles Private Limited and Rollform Technologies Private Limited shall be pledged to OCDs

		<p>Holder</p> <p>d) Subsequently, the security as mentioned in clause point a) shall be replaced by mortgaging the assets acquired by the Company from the amount received from OCDs Holder.</p> <p>At all times during the tenure of the OCDs, the Company ensures to maintain charge of Debenture holder on the assets adequate to ensure atleast 100% asset cover for the secured OCDs (along with the interest due thereon).</p>
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In furtherance to the above, following are the additional disclosures required under Section 42 read with rule 13(2)(d) of the Companies (Share Capital and Debenture) Rules, 2014 which are as follows:

The objects of the issue	To meet the capital expenditure of the Company.
The total number of shares or other securities to be issued:	The Company is proposing to issue 100,00,000 (One Crore) secured OCDs
The price or price band at/within which the allotment is proposed;	OCDs will be issued at a price of Rs. 100 each (Rupees One Hundred)
basis on which the price has been arrived at along with report of the registered valuer;	OCDs are being issued at par on a private placement basis with an option of conversion into Equity Shares. The price of the resultant shares will be determined at the time of conversion as per the applicable laws.
relevant date with reference to which the price has been arrived at	Not applicable as the OCDs are proposed to be issued at par
the class or classes of persons to whom the allotment is proposed to be made	Non-promoter, Company
intention of promoters, directors or key managerial personnel to subscribe to the offer;	The promoters cannot subscribe to the securities as the offer is made to Aparna Constructions and Estates Private Limited only, on private placement basis.
the proposed time within which the allotment shall be completed;	The allotment of the OCDs made pursuant to proposed resolution shall be completed within a period of twelve months from date of passing of Special resolution
the names of the proposed allottees and the percentage of post preferential offer capital that may be held by them;	Proposed allottee: Aparna Constructions and Estates Private Limited As it is issue of Debenture, no share capital will be held by the allottee.
the change in control, if any, in the company that would occur consequent to the preferential offer	No Change in control unless the proposed OCDs get converted into Equity shares. Such change



	considering the conversion of OCDs into Equity can be assessed at the time of conversion as mentioned in the terms and condition of OCDs.
the number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price;	Nil
the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.	Not applicable
The pre issue and post issue shareholding pattern of the company in the following format	No effect in the shareholding pattern of the Company

In view of the requirements of the Companies Act, 2013 read with Rule made thereunder, the Board of Directors are now proposing to obtain the approval of the members for the above resolution to be passed as a Special Resolution.

Except Mr. Subramanyam Reddy Sannareddy (Chairman cum Director), Mr. Pochana Aswin Reddy (Managing Director) and Ms. Aparna Reddy Sannareddy (Whole time Director) of the Company, none of the directors and key managerial personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in passing of the resolution at Item No. 2 of the accompanying Notice.

//CERTIFIED TRUE COPY//

For APARNA ENTERPRISES LIMITED

SANNAREDDY APARNA REDDY
WHOLETIME DIRECTOR
DIN: 00021443

