

(THE COMPANIES ACT, 1956)
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
SGMG CONSTRUCTION PRIVATE LIMITED

1. PRELIMINARY

1. The regulations contained in Table A in schedule 1 of the Companies Act, 1956 shall apply in so far as they are not modified or altered herein under.
2. In these Articles:
Unless the context otherwise requires :-
 - (i) The Company or this company means
SGMG CONSTRUCTION PRIVATE LIMITED
 - (ii) The words or expressions contained in these Articles shall bear same meaning as in the Act.
 - (iii) "The Act" means the Companies Act, 1956 or any statutory modification thereof and "Section" shall mean a section of the said Act.
 - (iv) "The Seal" means the Common Seal of the Company.
 - (v) "Office" means the registered office of the Company.
 - (vi) Words importing singular shall include plural and vice versa and words importing the masculine gender shall include females and the words importing person shall include body corporate.
 - (vii) "Months" means a calendar month and a "Year" means from 1 st April of one year to 31st March of the following year.

II PRIVATE COMPANY

3. The company is a private company within the meaning of section 3 (l) (iii) of the Act, and accordingly:
 - (a) The right to transfer the shares of the company shall be restricted in the manner and to the extent hereinafter provided.
 - (b) The number of members of the company (exclusive of person in the employment of the company, and the persons, who having been formerly in the employment of the company, were members of the company or while in that employment and have continued to be members after the employment ceased) shall be limited to fifty (50) provided for the purpose of this provision when two or more persons hold one or more shares jointly in the company shall be treated as a single member.
 - (c) No invitations shall be given to the public to subscribe for any shares in or debentures of the company.
 - (d) The minimum paid up capital of the company shall be rupees one lakh
 - (e) Any invitation or acceptance of deposits from persons other than its members, directors or their relatives is hereby prohibited.

III CAPITAL

4. (1) The authorised share capital of the company is such amount as may from time to time be authorised by clause V of Memorandum.
- (2) The company shall have the power to increase or reduce the capital for the time being of the company and to divide the shares in the capital into several classes with rights, privileges or conditions as may be determined by the members of the Company. The company may issue preference shares which shall or at the option of the company shall be liable to be redeemed, subject to the provisions of the Companies Act, 1956.
- (3) The company may, subject to provisions of Companies Act, 1956 issue any shares with such differential rights as to dividend, voting or otherwise as the Company may from time to time by ordinary resolution determine.

IV SHARES

5. The shares shall be under the control of the Board who may classify, allot or otherwise dispose of the same to such persons on such terms and conditions of either at a premium or at par or subject to the provisions of the Act at a discount and at such times as the Board thinks fit and with full power to make call for the allotment of any share either at par or at a premium or at a discount and for such time and for such consideration as the Directors may think fit. The right attached to different classes of shares may be varied in accordance with the provisions of the Sections 106 & 107 of the Companies Act.
6. The joint holders of shares shall severally as well as jointly be liable for payment of all instalments and calls due in respect of such shares.

V. SHARE CERTIFICATES

7. The certificates of title to the share shall be issued under the seal of the Company in the manner prescribed under the Companies (Issue of Share Certificates) Rules, 1960 framed under the Act. The Company shall comply with the provisions of such rules.
8. Every member shall be entitled to one certificate for the shares registered in his name or if the Board so approves, upon paying such fees as the Board may from time to time determine, to several certificates, for one or more of such shares.
9. The certificate of shares registered in the name of two or more persons not exceeding four in a number shall be delivered to the first named person in the register, and this shall be a sufficient delivery to all such holders.
10. If any certificate is worn out or defaced, then upon production thereof to the Board, it may order the same to be cancelled and may issue a new certificate in lieu thereof; and if any certificate be lost or

VI. CALLS

11. The Board may from time to time, make such calls on uniform basis, as it thinks fit, upon the members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by way of premium) held by them respectively and not by the conditions of allotment thereof made payable at fixed time and each such member shall pay the amount of every call so made on him to the person and at the time and places appointed by the Board. A call may be made payable by instalments.
12. Fourteen (14) days clear notice of any call shall be given specifying the time and place of payment and the person to whom such call shall be paid.
13. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of shares or by way of premium every such amount of instalment shall be payable as if it were a call duly made by the Board and of which due notice had been given and all provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.
14. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being of the share in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same at the rate of twelve (12) percent, per annum (or such other rate as the Board may determine) from the day appointed for the payment thereof to the time of actual payment, but the Board shall be at liberty to waive payment of the interest wholly or in part.

15. The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for and upon the money so paid in advance, or so much thereof, as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding six(6) percent, per annum or as the member paying such sum in advance and the Directors agree upon, Money so paid in excess of the amount of calls shall not rank for dividends or participation in profits. Money so paid in excess of the amount of call until appropriated towards satisfaction of any call shall be treated as advance to the Company and not a part of capital and shall be repayable at any time if the directors so decide.

VII. FORFEITURE OF SHARE

16. If any member fails to pay the whole or any part of any calls or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time there after during such time as the call or instalment or other money remains unpaid, serve a notice on such member, requiring him to pay the same together with any interest that may have accrued and the expenses that may have been incurred by the Company by reason of non-payment.
17. The notice shall name a further day(not being less than 14 days from the date of notice) and a place on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time and at the place appointed, the share in respect of which such call was made or instalment is payable will be liable to be forfeited
18. If the requirements of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may at any time thereafter, before payments of all calls.or instalment, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect and the forfeiture shall be recorded in Directors Minute Book. Such forfeiture shall include all dividends declared in respect of the forfeited share and not actually paid before the forfeiture subject to the provisions of the
19. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and entry of the forfeiture with date thereof shall forthwith be made in the register of the members.
20. Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell,

VII. FORFEITURE OF SHARE

21. Any member whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited share but shall notwithstanding the forfeiture, remain liable to pay to the Company all calls, instalments, interests and expenses owing upon or in respect of such shares at the date of the forfeiture.together with interest thereof at the rate of (9) percent, per annum from the time of forfeiture, until payment and the Directors may enforce the payment thereof, if they think fit.
22. 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 Articles are expressly saved.
23. A duly verified declaration in writing that the declarant is a Director or Managing Director, and that certain shares in the Company have duly been forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration, and the receipt of the Company for the consideration, if any, given for the share on the sale or disposition thereof shall constitute a good title to such shares and the person to whom the shares are sold, shall be registered as holder thereof and shall not be bound to see the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposition.

VIII. LIEN ON SHARES

24. The Company shall have first and paramount lien upon all partly paid up shares registered in the name of each member(whether solely or jointly with others)and shall also have such lien upon the proceeds of sale thereof for his debts, liabilities and engagements, solely or jointly with any other persons to or with any Company whether in respect of the shares in question or otherwise, however whether the period for the payment, fulfilment or discharge thereof shall have actually arrived or not, and no equitable interest in any such shares shall be created except upon the footing and condition that provision of

these articles are to have full effect and such lien shall extend to all dividends from time to time declared in respect of such shares and unless otherwise agreed, the registration of a transfer of shares shall operate as waiver of the Company's lien, if any, on such shares.

25. No member shall exercise voting rights in respect of any shares registered in his name on which calls or other sums presently payable by him, have not been paid or in regard to which the Company has exercised any right of lien.
26. For the purpose of enforcing such lien the Directors may sell the shares thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member, his executors or administrator, and default shall have been made by him or them in the payment, fulfilment or discharge of such debts, liabilities or engagements for (7) days after such notice.
27. The net proceeds of any such sale shall be applied in or towards satisfaction of the debts, liabilities or engagements of such member, his executors, administrators or representatives and the residue if any, shall subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the persons entitled to the shares at the date of the sale.
28. Upon any sale after forfeiture or surrender or enforcing a Hen in purported exercise of powers herein before given, the Directors may cause the purchaser's name to be entered, in the register of members in respect of the shares sold, and the purchaser shall not be bound to see the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the register in respect of such shares the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only.

IX. TRANSFER AND TRANSMISSION

29. Save as provided in the articles or unless all the members for the time being of the Company agree no shares shall be transferred or issued to a person who is not a member of the company so long as a member is willing to purchase the same at a fair value.
30. The person except a person mentioned in clause 34 thereof proposing to transfer any share to a nonmember
31. Shares specified by a transferor in the Transfer Notice served on the Company shall be offered to any existing member or members of the Company as per list drawn in this regard in a manner which the Directors may think fit.
32. If the company shall not within the span of two calendar months after being served with a notice of transfer as aforesaid find a member willing to purchase the shares in the manner aforesaid, the proposing transferor shall at any time after three calendar months, be at liberty to sell and transfer such share to any person at any price provided that the Directors may refuse to register any such share in the name of a body corporate.
33. In case any difference arises between the proposing transferor and the purchasing member as to the fair value of the share, the Auditors of the Company shall fix up the value thereof which shall be deemed to be the fair value.
34. On the death of a member the survivor or survivors where the member was a joint holder, and his legal heir where he was a sole holder shall be the only person recognised by the Company as having any title to his interest in the shares. Nothing shall however release the estate of a deceased joint holder from any liability in respect of any shares which has been jointly held by him with other persons.
35. Directors may refuse to transfer any share or shares without assigning any reason, and shall so decline in the case of any transfer the registration of which will involve a contravention of article 3 of these presents. No transfer shall be made or registered without the previous sanction of the Directors.
36. Subject to the provision of Article 35 of these presents a member may transfer any share or shares held by him/her to his/her spouse or relative by way of gift or for any pecuniary consideration.
37. A fee not exceeding one rupee may be charged upon registration of any transfer. The Board may, however, waive such fee.
38. The transfer books and the register of members may be closed during the 14 days immediately preceding each of the Annual General Meeting but not exceeding in the aggregate 45 days in each year and 30

days at any one time subject to Section 154 of the Act.

X. ALTERATION IN CAPITAL

39. The Company in General Meeting may from time to time by ordinary resolution increase the share capital by such sum and to be divided into shares of such amount as maybe specified in the resolution.
40. The Company may by ordinary resolution;
- (a) Consolidate or divide all or any of its share capital into shares of smaller or larger amount than its existing shares;
 - (b) Sub-divide its existing shares, or any of them into shares of smaller amount than is fixed by the Memorandum, subject nevertheless, to the provisions of Clause (d) of Sub-section (1) of Section 94 of the Act.
 - (c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its capital by the amount of the shares so cancelled.
41. The Company by special resolution may reduce in any manner subject to the requirements of the law:
- (a) its share capital
 - (b) any capital redemption reserve account, or
 - (c) any share premium account

XI GENERAL MEETING

42. The Company shall in each year hold a General Meeting on its Annual general Meeting in addition to any other meeting in that year. All General Meetings other than the Annual General Meeting shall be
43. The provision of Section 171 to 186 of Companies Act, 1956 shall apply to this Company in regard to meetings. Two Members present in person shall be the quorum for General Meeting.
44. The Board of Directors may, whenever they think fit call an Extra-Ordinary General Meeting, subject to provisions of Companies Act, 1956.
45. If at any time Board of Directors 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 Extra- Ordinary General Meeting in the same manner, or as nearly as possible, as that in which such a Meeting maybe called by the Board.
46. On a show of hands every member present in person shall have one vote and upon a poll the voting rights of members shall be in proportion to share of the paid up capital of the Company carrying voting rights.
- Provided that a member holding preference shares shall have no right to vote on any resolution or matter placed before the Company in General Meeting except on resolution or matters which directly affect the rights attached to his preference shares.
47. Members not personally present shall not be entitled to vote on a show of hand unless such member is a corporation present by a representative duly authorised under Section 187 of the Act.
48. Where there are joint registered holders of any shares, any one of such holders may vote at such meeting either personally or by proxy in respect of such shares as if he was solely entitled thereto and if more than one of such share-holder be present at any meeting personally or by proxy then one of the said persons so present whose name stands first on the register in respect of such share alone be entitled to vote in respect thereof. Where there are several executors or administrators of the deceased member in whose sole name any share stands, any of such executors or administrators may vote in respect of such shares unless any other or such executors or administrators present at the meeting at which such a vote is tendered subject to the votes in which case the executors or administrators whose name stands first on the register shall be entitled to vote.
49. Vote may be given either personally or by proxy on poll or in case of a Company by a representative duly authorised as aforesaid.
50. No member shall be entitled to be present or to vote on any question either personally or by proxy of another member at any General Meeting or upon a poll or be reckoned in a quorum while any call or other sums be due or payable to the Company in respect to such member.

XII. DIRECTORS AND GENERAL PROVISIONS

51. (a) The number of Directors shall not be less than two and unless otherwise determined by the Company in General Meeting be not more than Ten. Directors are not required to hold any shares in the Company as qualification shares.
- (b) The person here-in-after named shall be the first Directors of the Company.
- 1) **BIJAY AGARWAL**
 - 2) **SUMAN AGARWAL**
52. Each Director shall receive out of the funds of the Company remuneration for the services a fee not exceeding Rs. 250/- or such other amount as the board may fix, for each meeting of the directors attended by him. The Board may pay all reasonable travelling and other expenses incurred by any Director to attend any meeting of the Board. The Company in General Meeting may, by passing a special resolution under section 314 of the Act, provide for payment of any percentage of net profits of the Company to the Directors or any Director by way of remuneration in addition to or in lieu of the fee payable to them or him.
53. If any Director, being willing, is called upon to perform extra-services or to make any special exertion in going or residing away for any of the purposes of the Company or in giving special attention to the business of the Company as a member of Committee of Directors or otherwise the Company may, subject to the provisions of the Act, provide for remuneration to the Director so doing and such remuneration may be either in addition to or in substitution of his share in the remuneration from time to time provided for the Directors.
54. The Company may in General Meeting elect any person to be Director and subject to the provision of any agreement for the time being in force the Company may by ordinary resolution remove any
55. The Board of directors at a meeting of the Board or bypassing a resolution by circulation shall have power at any time to appoint any other person to be a Director of the Company either to fill a casual vacancy or as an addition to the Board or as an alternate Director in pursuance of section 313 of the Act, but the total number of the Directors shall not at any time exceed the maximum number fixed under these articles.
56. (1) The Board may from time to time at their discretion subject to the provision of the Act, raise or borrow money either from the Bankers, Directors or from elsewhere and secure the payment of any such sum or sums of money for the purposes of the Company.
- (2) The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular, by the issue of bonds perpetual or redeemable, debentures, or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being.
- (3) All cheques, promissory notes, draft, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be by the Managing Director or by such person and in such manner as the Company in General Meeting or the Board shall from time to time by resolution determine.
- (4) Quorum for Board of Directors Meeting shall be two Directors or one third of the total strength and any fractions thereof shall be rounded off to the next higher number.
- (5) The Board of Directors may delegate any of its power subject to and in accordance with the provisions of the section 292, to the Managing Director, Manager or other principal officer of the Company or Committee of Directors to such extent and in manner as the Board may deem fit. Any power so delegated maybe revoked at anytime or made to conform to any condition or regulation as may be required by the Board from time to time.
- (6) The Board may appoint whole time Directors as executive Directors on remuneration and enter into service Agreement for a maximum period of 5 years.
57. A Managing Director or Managing Directors may be appointed by a Resolution of the Company or of the Board for such period and with such powers and remuneration (whether by way of salary, perqui sites, commission or participation in profits or partly in one way and partly another) as maybe determined.

58. If it is provided by any agreement, deed or other document securing or otherwise in connection with any loan taken by the Company or in connection with taking of any shares by person, firm or Company that any person or persons shall have power to nominate a Director of the Board of Directors of Company then and in case of taking of any such loan or shares or entering into such agreement the person or persons having such powers may exercise his power from time to time and appoint a Director accordingly Such Director may be removed from office at any time by the person or persons in whom the power under which he was appointed is vested and another Director maybe appointed in his place but while holding such office he shall not be liable to retire by rotation not hold any qualification Shares.

XIII COMMON SEAL

59. The Board shall provide safe custody of the Seal. The seal of the company shall not be affixed to any instrument except by the authority of the Board or of a committee of the Board and authorised by it in this behalf and except in the presence of a Director or Managing Director or such other person as the board may appoint for the purposes who shall sign every instrument to which the seal of the company is so affixed in his presence, However the share certificates shall be sealed and signed in accordance with rule (6) of the companies (issue of share certificates) rule, 1960.

XIV DIVIDENDS

60. The profit of the company shall be divisible amongst the member in proportion to the amount of capital paid up on the shares held by them respectively at the declaration of the dividend.
62. The Directors may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.
63. Director may retain any dividend on which the Company has lien and may apply it in/or towards satisfaction of the debts, liabilities of engagements in respect of which the lien exists.
64. Any one of the several persons who are registered as the joint holders of any shares may give effectual receipts for all dividends payments on account of dividends of such shares.
65. Subjects to Section 205A of the Act, the Directors may retain the dividends payable upon shares in respect of which any person, under the transmission clause, is entitled to become a member or in respect of which any person, under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.
66. All the dividends on any share not having a registered owner entitle to require payment of and component to give a valid receipt for the same shall remain in suspense until some competent person is registered as the holder of the share and all the dividend remaining unpaid shall be dealt with in the manner as provided under section 205A of the Companies Act, 1956

XV. ACCOUNTS

67. 1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being directors.
- 2) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

XVI. AUDIT

68. Once at least in every year, the Accounts of the Company shall be examined and the true & fair view of the Profit and Loss Account and Balane Sheet as certified by one or more Auditors as provided in the Act.

XVII. CAPITALISATION OF PROFITS

69. 1) The Company in General Meeting may upon the recommendation of the Board, resolve subject to the provisions of the Act;
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve account or to the credit of the profits and Loss Account or otherwise available for distribution.
- (b) that such sum be accordingly set free for distribution in the manner specified in clause (b) among the members who would have been entitled thereto if distributed by way of dividend and in the same proportions.

- 2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in this articles either in or towards :-
- (i) Paying up any amount for the time being unpaid on any shares held by such members respectively.
 - (ii) Partly in the way specified in sub clause (i) and partly in that specified in subclause (iii) below.
 - (iii) Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid.

XVIII. WINDINGUP

70. If the Company shall be wound up and the Assets available for distribution among the members as shall be insufficient to repay the whole of the paid-up capital such assets shall be divided amongst the members in proportion of 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

XIX. MEMBERS

71. Every person who is a subscriber to the Memorandum and Ariticles and or who intends to be or becomes a member of the Company shall subj ect to provisions of any Law in force, be bound by the Provisions of the Memorandum and Articles of the Company and any matter or dispute arising between the Company and any such person as regards mutual-rights, obligations or otherwise shall be subject to the jurisdiction of the court having jurisdiction over the registered office of the Company in respect to the disputed matter.

XX. INDEMNITY

72. Every director, Manager, Auditor or Officer of the Company or any person (whether an Officer of the Company or not) employed by the Company shall be indemnified out of the funds of the Company against any liability incurred by him as such Director, Manager, Auditor or Employee in defending any proceeding whether civil or criminal in which Judgement is given in his favour or in which he is acquitted or in connection with any aplication under section 633 of the Act in which relief is granted to him by the Court.

We the several person whose name and address are subscribed, are desirous of being formed into a company in pursuance of this Articles of Association and we respectively agree to take the numbers of shares in the capital of the company set opposite to our respective names.

S. No.	Names, addresses, descriptions and occupations of subscribers	No. of shares taken by each subscriber	Signature, names, addresses, descriptions and occupations of Witnesses
1.	SUMAN AGARWAL W/O BIJAY AGARWAL SHREE SHYAM COMPLEX, ASHRAMPARA, SILIGURI - 734401, OCCUPATION - BUSINESS	5,000 (FIVE THOUSAND ONLY)	WITNESS TO THE TWO SIGNATORIES MANOJ KUMAR BHURA S/O D.C. BHURA 8, G.C. AVENUE, KOLKATA - 700 013 CHARTERED ACCOUNTANT M NO. 55001
2.	BIJAY AGARWAL S/O PAWAN KUMAR AGARWAL SHREE SHYAM COMPLEX, ASHRAMPARA, SILIGURI - 734401, OCCUPATION - BUSINESS	5,000 (FIVE THOUSAND ONLY)	
TOTAL SHARE TAKEN		10,000 (TEN THOUSAND ONLY)	

KOLKATA, DATED 7TH DAY OF JUNE, 2005

