

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

OF
GALAXY REALMART PRIVATE LIMITED
INTERPRETATION

Definitions

1. (i)

In these Articles unless there be something in the subject matter or context inconsistent therewith.

- (a) "The Act" means the Companies Act, 1956.
- (b) "The Company" means **GALAXY REALMART PRIVATE LIMITED**
- (c) "The Office" means the Registered Office for the time being of the Company.
- (d) "The Register" means the Register of members to be kept pursuant to section 150 of the Companies Act,
- (e) "The Board" means of the Board of Directors of the Company.
- (f) "The Chairman" means the Chairman of the Board of Directors of the Company.
- (g) "The Directors" means the Directors for the time being of the Company. The following shall be the First Directors of the Company.

1. **Shri Daulat Daga**
2. **Shri Kailash Daga**
3. **Shri Pratap Daga**
4. **Shri Abhineet Daga**

(ii) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Companies Act or any statutory modification thereof in force at the date on which these regulations become binding on the Company.

Table "A" how far to apply
2 (i) The regulation, contained in Table "A" in the Schedule 1 to the Act shall not apply to the Company except so far as expressly incorporated herein below or made applicable by the said Act.

Other Provisions

(ii) Wherever in the said Act it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles then and in that case this Regulation hereby authorise and empowers the Company to have such right, privilege or authority and to carry such transaction as have been permitted by the Act without there being any specific regulation in that behalf herein provided, an illustration of such rights, privileges, authorities and transactions the followings are set out with relevant sections.

Section 80 : to issue Redeemable Preference Shares

Section 92 : to accept unpaid share capital although not called up.

Section 93 : to pay dividend in proportion to amount paid up.

Section 94 : to alter the share capital of the Company.

Section 100 : to reduce the share capital of the Company.

Section 106 : to alter the rights of holders of the special class of shares.

PRIVATE COMPANY

3. The Company is a Private Company within the meaning of Section 3(1) (iii) of the Companies Act, 1956 and accordingly.

(a) The number of members for the time being of the Company (exclusive of persons who are in the employment of the Company and persons who having been formerly in employment of the Company were its members while in that employment and have continued to be members of the Company after the employment ceased) is not to exceed fifty, but when two or more persons hold one or more shares in the Company jointly, they shall, for the purpose of this paragraph be treated as a single member.

(b) Any invitation to the public to subscribe for any shares or debentures of the Company is hereby prohibited.

(c) The right to transfer the shares of the Company shall be restricted as hereinafter provided.

(d) The Company shall not invite or accept deposits from persons other than its members, directors or their relatives.

4. (a) The Authorised Share Capital of the Company shall be as stated in clause V of the Memorandum of Association of the Company and Company shall contain a minimum paid up Capital of Rupees one lac.

(b) The Company has power to divide the share capital for the time being into several classes and to increase or reduce its capital from time to time and vary, modify or abrogate rights or conditions attached to any class of shares in such manner as may be for the time being provided by regulations of the company and upon

increase of the capital the Company may issue any new shares in priority to any other shares present and future with any preferential, deferred, or qualified or special privileges or conditions as may be determined upon by the Company in the General Meeting.

Convertible and Redeemable Preference shares

5. The Company shall have power to issue preference shares which may be converted into equity shares or Preference shares carrying right to redemption out of profit or out of the proceeds of fresh issue of shares liable to be so redeemed at the option of the Company and the Company and the Directors may subject to the provision of Section 80 of the Act, exercise such power on such terms and in such manner as may be provided by the Articles.

Allotment of shares

6. The shares shall be under the control of the Directors who may allot or otherwise dispose off the same to such persons on such terms and conditions and either at a premium or at par or subject to the provisions of the Act at a discount and at such time as the Directors may think fit and with full power to give to any person the shares either at par or at premium during such times and for such consideration as the Directors think fit.

7. Regulation 4 of Table "A" shall apply.

Commission on shares

8. The Company may exercise the power of paying commission conferred by and subject to the provisions of Section 76 of the Act on conversion into a public Company.

Commencement of Business

9. The business of the Company may be commenced after the incorporation of the Company or as the Directors shall think fit and not with standing that only part of the shares may have been allotted

CALLS ON SHARES

Calls

10. Regulations 13 to 18 of Table "A" excepting the provision to regulation 13 (i) shall apply.

11. On the trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove that the name of the member used is entered in the Register as the holders of the shares in respect of which such debt accrued; that the resolution making the call is duly recorded in the Minute Book and that notice of such call was duly given to the member in pursuance of those present and it shall not be necessary to prove the appointment of the Directors who make such calls; nor any other matters whatsoever but the proof of the matter aforesaid shall be conclusive evidence of debt.

12. If two or more persons are registered as joint-holders of any share or shares or stock, any one of such person may give effectual receipt for all dividends in respect of such share or shares and such receipt shall be complete discharge in receipt of the said dividends or liability of joint owners of shares. The joint-holder of any or owner of a share shall be severally as well as jointly liable for the payment of all instalments and calls, if any, due in respect of such calls.

SHARE CERTIFICATE

Share Certificate

13. Regulation 6 to 8 of Table "A" shall apply.

FORFEITURE OF SHARES

Forfeiture

14. Regulation 29 to 35 of Table "A" shall apply.

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15. Regulation 9 to 12 of Table "A" shall apply.

TRANSFER OF SHARES

16. The right of members to transfer shares shall be restricted as follows :-
Shares may be transferred by a member or other person entitled to transfer to any member or outside only with the permission of Board of Directors. All issues and matters relating to transfer of share shall be final only when so decided by the Board of Directors of the Company.

17. The instrument of transfer of any share in the Company shall be executed by or on behalf of both transferor and transferee in accordance with the provisions of section 108 of the Companies Act, 1956.

18. Regulations 20 to 24 of Table "A" shall apply.

19. Any share may be transferred if it is standing in the name of Trustee of an indenture of Trust or the will of any deceased member, upon any change of Trustee for the time being of such indenture of Trust or of such will and Article 16 will not apply to any transfer authorised by this clause.

20. The directors may at their absolute and uncontrolled discretion decline to register any transfer of shares to any transferee, but such right of transfer refusal shall not be exercisable in the case of any transfer made pursuant to Article 19 except for the purpose of ensuring that the number does not exceed the limit prescribed by Article 3.

21. (a) The director may at their absolute discretion transfer any shares without insisting on probate, letter of administration or any other representation to the estate of any deceased member on taking such indemnity and/or any other terms as they may require.

(b) Every person, who may be entitled in his own right to any share or shares standing in the name of his clerk, munim servant or nominee, may be registered as the holder of such share or shares either during the lifetime or after the death of such clerk, munim, agent, servant or nominee provided such proof, as the Director may deem reasonable be afforded by such person as to his title to such shares and provided such indemnity be given as the Directors may require; and he executes such form of transfer as may approved by the Directors.

TRANSMISSION OF SHARES

22. Regulations 25 to 28 of Table "A" shall apply.

ALTERATION OF CAPITAL

23. Regulations 44 to 46 of Table "A" shall apply

24. Regulations 3 of Table "A" shall apply

25. The Company may, by special resolution and subject to confirmation by Court, reduce its share capital in any way and in particular without prejudice in the generality of the foregoing power may :-

(4)

- extinguish or reduce the liability on any of its shares in respect of share capital not paid up; or
- either with or without extinguishing or reducing liability on any of its shares cancel any paid up share capital which is lost or unrepresented by available assets; or
- either with or without extinguishing or reducing liability on any of its shares pay off any paid up share capital which is in excess of the want of the Company.
- in variation by rules before fixed, the share holders can decide to increase the paid up capital according to the rules stated for the amendments to the article of association, the increase of capital both free and against payment could be decided only by the whole of the directors and should be approved unanimously.

Borrowing Powers

26. The Directors may from time to time at their discretion borrow and secure the payment of any sum of money for the purpose of the Company. The Director may secure the repayment of such money in such manner and upon such terms and conditions in all respects as they think fit and in particular subject to Article 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.

Securities may be assignable free from equities

27. Debentures, debenture-stocks, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same be issued.

GENERAL MEETING

Annual General meeting

28. Provisions of Section 166 of the Act shall apply.

When extraordinary general meeting to be convened

29. The Directors may, whenever they think fit convene an Extraordinary General Meeting and the Directors shall, on the request in writing of the member holding not less than one tenth of the paid-up share capital of the Company as at that date carrying voting rights forthwith proceed to convene an extraordinary General Meeting and provisions of Section 169 of the Companies Act shall not be necessary for director to annex explanatory statement of the notice calling general meeting under section 173 of the Company Act.

Notice of general meeting explanatory statement

30. The Directors if they think fit may convene a General Meeting other than Annual General Meeting of the Company by giving a notice thereof being not less than three days in accordance with provisions of law. It shall not be necessary for directors to annex explanatory statement to the notice calling general meeting under section 173 of the Company Act.

PROCEEDINGS OF GENERAL MEETING

31. Regulations 49 to 55 of table "A" shall apply.

VOTE OF MEMBERS

Votes

32. Regulations 56 to 63 of Table "A" Shall apply subject to the followings:-

- That a member may appoint more than one proxy to attend on the same occasion
- A proxy may speak at the meeting unless the Chairman otherwise direct.
- A proxy may vote otherwise than on poll unless the Chairman otherwise direct.

(5)

Debtenture Director

43. If it is provided by any trust deed securing or otherwise in connection with any issue of debtenture of the Company that any person or persons shall have power to nominate a Director of the Company than in the case of and every such issue of debtentures, the persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Debtenture Director may be removed from office any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debtenture Director shall not be liable to retire by rotation.

RETIREMENT AND ELECTION OF DIRECTORS

Election of Directors

44. Director shall not be liable to retire from office by rotation unless otherwise decided in the General Meeting.

Power to determine the number of Directors

45. The Company may, from time to time by ordinary resolution increase or reduce the number of Directors.

Additional Director

46. The Directors shall have the power at any time and from time to time appoint any person to be a Director as an addition to the existing Director but so that the total number of directors shall not at any time exceed the number fixed in accordance with these regulations.

Removal of Director

47. The Company may by ordinary resolution of which special notice has been given in accordance with Section 190 of the Act, remove any director before the expiration of his period of office notwithstanding any thing in these regulations or in an agreement between the Company and such Director and such removal shall be without prejudice to any contract of service between him and the Company.

Casual vacancy

48. If any Director appointed by the company in general meeting vacates office as director before his term of office will expire in the normal course, the resulting casual vacancy may be filled up by the board at a meeting of the Board but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred provided that the Board may not fill such a vacancy by appointing there to any person who has been removed from the office of Director under Article 47.

Nominee Directors

49. In the event of the Company borrowing any money from any Financial Corporation or Institution Government Body or any Collaborator, Bank, Person or persons or any other loan giving agency or source, while any money remains due to them or any of the said Corporation, Institution or the Government Body or the financier or collaborator or Bank or any Body or the case may be they shall have and may exercise the rights and powers to nominate from time to time any person or persons to director of the Company and that such Directors shall not be liable to retire by rotation subject to the limits prescribed under the Companies Act. Any person so nominated may at any time be removed from office by the nominating authority who may from the time of such removal or in case of death or resignation of such person nominate any other in his place. Any such nomination or removal shall be in writing signed by the nominator and served on the Company.

VACATION OF OFFICE BY DIRECTOR

Vacation

50. Section 283 of the Companies Act shall apply.

MANAGING DIRECTOR

Appointment of Managing Director

51. The Director may from time to time subject to Section 197 A of the Companies Act appoint one or more of them to the office of Managing Director for such period and on such terms as they think fit and subject to the terms of any agreement entered into and in any particular case may revoke such appointment shall be automatically terminated if he ceases to be a Director.

Remuneration of Managing Director

52. The remuneration (whether by way of salary, commission or participation in profits of partly in another) payable to the Managing Director will be determined by the Board.

DIRECTORS

Number of Directors

33. Until otherwise determined by the General Meeting the number of directors shall neither be less than two nor more than twelve.

First Directors

34. The first Directors of the company shall be as stated in the clause 1(g) of the Articles of Association of the Company.

When candidates for office of Director must notice

35. No person shall be elected as a Director except First Director appointed by the Articles or a director unless at least fifteen days notice have been left at the Registered Office of the Company of intention to Propose him.

Share qualification of Directors

36. The Directors shall not be required to hold any share in the Company as a qualification to be a Director of the Company.

Director's fee

37. Unless otherwise determined by the Company in General Meeting each Director shall be entitled to receive out of the funds of the Company for his service in attending Meeting of the Board or any Committee of the Board a fee as may be fixed by the Board not exceeding the amount prescribed under the Companies Act, 1956, per meeting of the Board or Committee of the Board attended by him.

Payment of expenses

38. The Directors may allow and pay to any Director who for the time being is resident out of the place at which any meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as specified here in before. The Directors may also be paid or reimbursed all travelling and other expenses properly incurred by them in connection with the business of the company.

Extra remuneration

39. If any Director is called upon to render extra service or to make any special exertion for any purpose of the company, the Board subject to Section 314 of the Act shall be entitled to remunerate such Director either by a fixed sum or percentage of profits or otherwise as may be determined by the Board and such remuneration shall be in addition to his remuneration above provided.

Contracts with Directors

40. Subject to the provision of the section 297 of the Act. No Directors shall be disqualified by his office from contracting with Company, nor shall any such contract entered into by or on behalf of the Company in which any Director shall be in any way interested be invalid nor such Director shall be liable to account to the Company for any profit realised by any such contract by reason only of such Director holding that office or of the fiduciary relations thereby established, but if it is declared that the nature of his interest must be disclosed by him at the meeting of the Directors at which contract is determined of his interest that exists or in any other case, at the first meeting of the Directors after the acquisition of such interest.

Directors eligibility

41. A Director may vote, may take part in discussion in respect of any contract or arrangement in which he is interested.

Powers to appoint alternate Director

42. The Directors may appoint any person to be an alternate Director to act for Director (herein after in this Article called the original Director) during his absence for a period of not less than three months from the States in which meeting of the Directors are ordinarily held but such alternate Director shall ipso facto vacate office if and when the original Director returns to the State in which meeting of Directors are ordinarily held.

Power of Managing Director to be given by Board

53. The Directors may entrust to and confer upon Managing Director any of the powers exercisable by them upon such terms and conditions and with such restriction as they may think fit and either collaterally with or to the exclusion of their own powers.

PROCEEDINGS OF DIRECTORS

Quorum

54. The quorum necessary for the transaction of the business of the directors shall be a simple majority.

55. Regulations 73 to 81 of Table "A" shall apply, subject to that adjourned meeting may be called at any time with the consent of all the Directors.

POWERS OF DIRECTORS

Powers of Directors, Prior acts of Directors not be invalidated

56. The management of the business of the company shall be vested in director who may exercise all such powers and do such acts things as the Company is by its Memorandum of Association or otherwise authorised to exercise or do and as are not hereby directed and required to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of the Act and of these presents and to any regulations from time to time made by the Company in general meeting not being inconsistent with the provisions of these presents, provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if regulation had not been made.

Manager or Secretary

MANAGER OR SECRETARY

57. Regulation 82 to 83 of table "A" shall apply.

THE SEAL

Common Seal

58. The Directors shall be responsible for the safe custody of the Common Seal of the Company and the seal shall never be used except by the authority of directors to any one director of the Company as previously given and in the case of share certificate, the rules in force for the time being provided nevertheless that any instrument bearing the seal of the company and issued for valuable consideration shall be binding on the company notwithstanding any irregularity touching the authority of the directors to issue the same.

CAPITALISATION OF PROFITS

Capitalisation of profits

59. Regulation 96 and 97 of Table "A" shall apply

Dividend and Reserves

60. Regulations 85 to 94 of Table "A" shall apply.

ACCOUNTS

Accounts

61. Sections 209 to 222 (both inclusive) of the Companies Act Regulation 95 of Table "A" shall apply.

NOTICE

Notice

62. Service of any document or notice by the Company on its members shall be effected in accordance with the provisions of Section 53 of the Act.

INDEMNITY

Indemnity

63. Regulation 99 of Table "A" shall apply.

Winding up

WINDING UP

Secrecy Clause

64. Regulation 98 of Table "A" shall apply.
65. No member shall be entitled to any information relating to the Company's trading or business as in the opinion of the Directors will be inexpedient to disclose in the interest of the Company.

Sl. No.	Signature, Name, Description, Addresses and Occupation of the Subscribers	Signature, name, address, Description and Occupation of Witness
1.	Sd/- (ABHINEET DAGA) S/o Shri Tej Karan Daga 45, Gem Enclave, Pradhan Marg, Malviya Nagar, Jaipur 302017 Business	Sd/- (ARVIND KUMAR DHADDA) Chartered Accountant M. No. 74185 S/o Late Shri R. R. Dhadda 14/33, Malviya Nagar, Jaipur 302017
2.	Sd/- (KAILASH DAGA) S/o Shri Tej Karan Daga 45, Gem Enclave, Pradhan Marg, Malviya Nagar, Jaipur Business	
3.	Sd/- (DAULAT DAGA) S/o Shri Tej Karan Daga 45, Gem Enclave, Pradhan Marg, Malviya Nagar, Jaipur 302017 Business	
4.	Sd/- (PRATAP DAGA) S/o Shri Tej Karan Daga 45, Gem Enclave, Pradhan Marg, Malviya Nagar, Jaipur 302017 Business	

I hereby witness the signatures of all the subscribers

Dated the 20th day of March, 2007.

Place : Jaipur