

ARTICLES OF ASSOCIATION OF

A - ONE STEEL AND ALLOYS PRIVATE LIMITED.

(A Company Limited by Shares under the Companies Act, 1956)

1. **PRELIMINARY**

The regulations contained in Table "A" of the First Schedule to the Companies Act 1956 as are applicable to a Private Limited Company shall be the regulations of the Company Except in so far as they are embodied in the following articles, which shall be the regulations for the Management of the Company.

2. **INTERPRETATION**

In these articles:

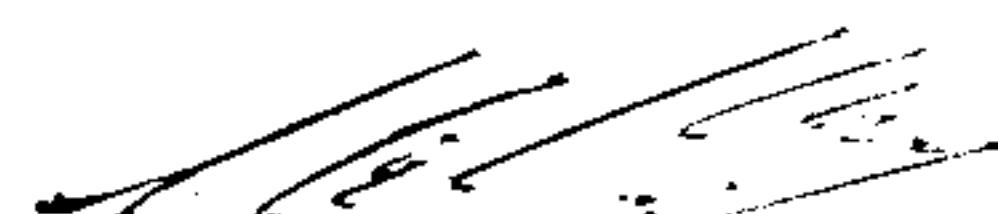
- a) "The Act" means the Companies Act, 1956.
- b) "The Board" means the Board of Directors for the time being of the Company.
- c) "The Company" means **"A-ONE STEEL AND ALLOYS PRIVATE LIMITED."**
- d) "The Directors" mean the Directors for the time being of the Company.
- e) "The Seal" means the Common Seal of the Company.
- f) "In writing" and "written" include printing, lithography and any other modes of representing or reproducing words in a visible form.

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

4. **PRIVATE COMPANY**

The Company is a Private Company as defined by Section 3(1)(iii) of the Companies Act 1956 and the minimum paid up share capital of the Company shall be not less than Rupees One Lakh and as such.

- a) The right to transfer shares of the company is restricted in the manner herein mentioned below.
- b) No invitation shall be issued to the public for subscription of shares or debentures of the Company.



- c) The number of nominees of the Company is limited to 50 (fifty)
 - i) Persons who are in employment of the Company;
 - ii) Former employee members of the Company who continue to be the members of the Company even after their employment in the Company ceased;
 - iii) employment in the Company ceased;
- d) The Company shall not invite or accept deposit of money from anyone except the Directors, Members of their relatives.

PROVIDED THAT where two or more persons hold one or more shares in the Company, jointly, they shall, for the purpose of this Article, be treated as a single member.

5. AUTHORISED SHARE CAPITAL

The Authorised Share Capital of the Company shall be such amounts and be divided into such shares as may, from time to time, be provided in Clause V of the Memorandum of Association of the Company.

6. INCREASE OF CAPITAL OF THE COMPANY

The Company in General Meeting may from time to time, increase its capital by the creation of new shares, such increase to be such aggregate amount and to be divided into shares of such amounts as the resolution shall prescribe. Subject to the provisions of the act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall prescribe and if no direction be given, as the Directors shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the company and with a right of voting at General Meetings of the company, in conformity with Section 87 and 88 of the Act. Whenever the capital of the company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 97 of the Act.

7. SHARES UNDER THE CONTROL OF THE BOARD

The shares of the Company shall be under the control of the Board, who may issue, allot or otherwise dispose of them to such persons on such terms and conditions and at such time as the Board may think fit.

B. (1) FURTHER ISSUE OF SHARE CAPITAL

- i. Whenever the Board desires to issue further capital, it shall first offer shares to the existing shareholders in such proportions it may determine;
- ii The offer of the shares shall be kept open for not less than 15 days:
- iii The offer which shall be mailed to the members individually shall contain;
 - a. number of shares available to him;

- b. price at which shares are offered;
 - c. the last date for delivery of the acceptance of offer;
 - d. mode of payment
- iv. If the acceptance of the offer is not received by the Company within the stipulated time, it shall be deemed that offer is declined and thereafter the Board, shall proceed to issue and allot shares on the same terms to one it may deem fit.
- (2) The issue of further capital shall rank pari passu with the equity capital in respect of payment of calls, forfeiture, lien, surrender, transfer and transmission, voting rights, dividends and repayment of capital on winding up.

8. REDEEMABLE PREFERENCE SHARES

Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference shares whether cumulative or non cumulative or convertible or non convertible which are, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.

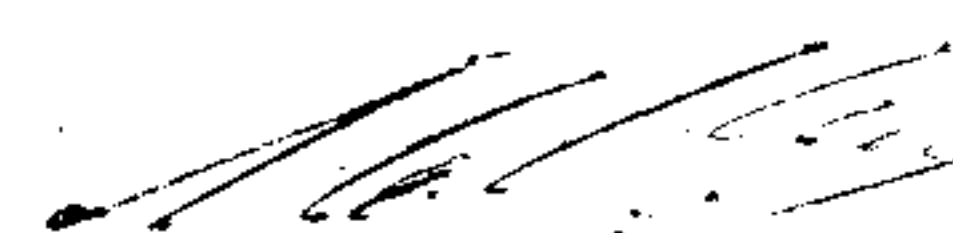
9. TRANSFER OF SHARES

- i. A member may transfer his share(s) to a member or to his relative(s) as defined in Section 6 of the Act;
- ii. In case a member to transfer his/her shares to persons other than those provided in sub article (i) hereof, he/shall obtain a prior permission of the Board;
- iii. No fee shall be charged for transfer/transmission of Shares.

10. TRANSMISSION OF SHARES

- i. On the death of sole member, his nominee(s), if any, shall be the only person(s) recognized by the Company as having any title to his interest in the shares to the exclusion of succession laws applicable to the deceased member.
- ii. Every member shall deliver to the Company a nomination in accordance with and subject to the Rule made by the Board.
- iii. In case, the nomination is not made as provided above, it shall be deemed that a nomination has been made by the deceased member himself, in the following order of precedence:
 - a. A spouse, if any;
 - b. Child or children, if any, jointly;

EXPLANATION: This includes both unmarried and married children of both sexes.



11. VOTING RIGHTS OF MEMBERS

- i. Subject to sub-article (ii) hereof, every member of the Company holding equity share(s) shall have the same voting rights as provided in section 87 of the Act.
- ii. Every member, present in person or by proxy, shall have such number of votes as he holds shares, even by show of hands.

12. NUMBER OF DIRECTORS

There shall be minimum of 2 (Two) Directors and maximum number of 12 (Twelve) Directors including all kinds of Directors.

13. APPOINTMENT AND TENURE OF DIRECTORS

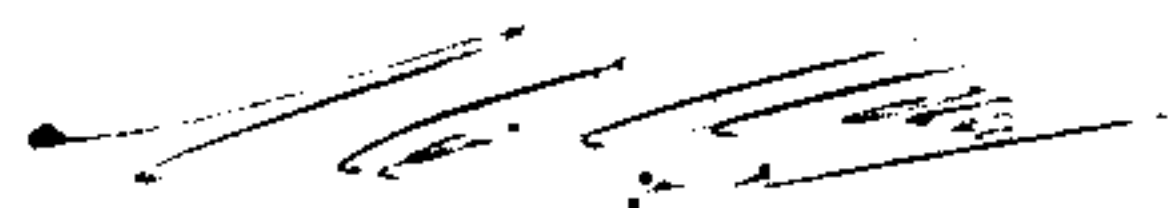
- i. The first Directors of the Company are:
 - 1. Mr. SANDEEP KUMAR
 - 2. Mr. SUNIL KUMAR JALLAN
- ii. Subject to the provisions of Section 284 of the Act, the first Directors shall be non-retiring and shall continue to hold the office of Director until he/they vacate or vacates or voluntarily resign/s his/their office/s or disqualified by the operation of law.

14. APPOINTMENT OF ALTERNATE DIRECTOR

The Board of Directors may appoint an Alternate Director in the place of any Director (hereinafter in this articles called the "Original Director") during his absence for a period of not less than three months from India. An Alternate Director shall not hold office as such for a longer period than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India as aforesaid, any provisions in the Act or in these Articles for the automatic re appointment of a retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

15. APPOINTMENT OF MANAGING DIRECTOR/WHOLE TIME DIRECTORS

- i. The Board may appoint one or more of its body to the office of the Managing Director or Whole time Director by whatsoever designation on such terms and conditions, including remuneration and privileges, as may be thought proper.
- ii. The Board may vest in such appointee(s) such powers and discretion as may be deemed necessary and expedient.



16. QUORUM FOR BOARD MEETING

The quorum for a Board Meeting shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher, provided that where any time the number of interested Director exceeds or is equal to two-thirds of the total strength in number, of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

17. SITTING FEES

A Director who attends Board Meeting or the Committee Meeting or adjourned meeting of the Board or of the committee as the case may be, shall be entitled to receive such sitting fee, as the Board may determine subject to such ceilings as may be prescribed by the Central Government under section 310 of the Act.

18. QUALIFICATION SHARES

No Director shall be required to hold any qualification shares in the capital of the Company.

19. REMUNERATION OF DIRECTORS

The remuneration of Directors and Executives of the Company, shall be determined by the Board of Directors from time to time.

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a Member of any committee formed by the Director(s) the Board may arrange with such Directors such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration, subject to provisions of the Act and confirmation by the Company in General Meeting.

20. RESIGNATION OF DIRECTORS

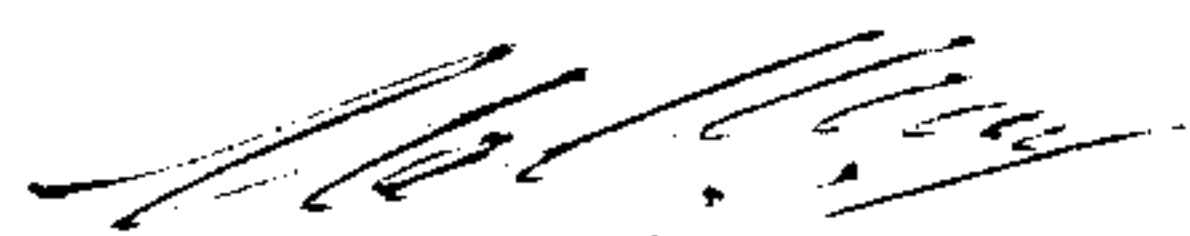
1. Notwithstanding anything contained herein, or the resolutions of the appointment of Directors, a Director may resign from his office in pursuance of the following procedure:

- (a) i. A Whole time Director shall give written notice of not less than three months, to the Board, stating clearly the reasons for resignation.
- ii. His resignation shall become effective when it is accepted by the Board and communicated to the Director concerned.

- (b) i. Any other Director may resign by giving to the Board a notice in writing or may express his desire orally to relinquish the office of Director.
 - ii. Such resignation shall take effect from the date, if specified in the notice, or from the date of receipt of such notice by the Company, in the absence of any specified date or from the date of oral notice to the Company, as the case may be.
2. A Whole-time Director shall be deemed to have resigned from both the office of whole time Director as well as the Director unless stated in his letter of resignation that he resigns only from the office of the whole time Director.
3. The Directors who have given their personal guarantee to the Financial Institutions/Banks for the long-term loans to the Company, shall not resign from the office of Director without obtaining a written consent from such Financial Institutions/Banks.

21. POWERS OF THE BOARD

- i. The Management of the Company is vested in the Board. The Board shall, unless otherwise provided in the Act, and the Articles of Association, manage the affairs of the Company and exercise powers and discretion necessary for the purpose of managing the Company's affairs.
- ii. Without prejudice to the general powers conferred on the Board by the Act, Regulations in Table "A" and the Articles of Association of the Company, the Board shall have the following powers:
 - a. To recruit, terminate, suspend, dismiss and otherwise take disciplinary action against all the staff of the Company;
 - b. To appoint and remove an attorney or attorneys;
 - c. To enter into any/all contracts and rescind them;
 - d. To appear and act on behalf of the Company before the Courts, Tribunals, Public Office and Tax Authorities;
 - e. To compromise or drop legal proceedings, if necessary;
 - f. To institute, prosecute and defend all suits and other legal proceedings;
 - g. To delegate any of its powers to any Directors or Managers or executives, with or without any restrictions or conditions, in the best interests of the Company;
 - h. To make donations, in any form for charitable or national purposes;
 - i. To create reserve funds, statutorily required or otherwise, for the purpose of contribution to:
 - a. Financial health of the Company; or
 - b. Welfare of the members and the employees of the Company present or past, and their families;



- j. To recommend dividend, however, subject to the provisions of Section 205 of the Act and other applicable Acts and prior permission of the Financial Institutions/Bans, if any undertakings to that effect has been given to them;
- k. To remit or give time for repayment of any debt by a buyer or an employee;
- l. To write off bad debts, make provisions for doubtful debts;
- m. To appoint a Chief Executive/Attorney(s) of the Company, with such powers, authorities and discretion (not exceeding those vested in or exercised by the Board);
- n. To frame rule and regulations for the purposes of effective and profitable functioning of the Company;
- o. To borrow money from banks, financial institutions, public or others for the purpose of business of the Company on such terms and conditions as the Directors think fit and to offer, as security, any property, assets, uncalled capital of the Company or create, any charge on the assets, properties and uncalled capital of the Company; and
- p. Generally, to do all deeds and things as the expediency of the business warrants.

22. CHAIRMAN OF THE BOARD

The Board may appoint one of its members to be the Chairman and the tenure of his office as such, shall come to an end upon the conclusion of the next Annual General Meeting after his appointment.

23. AUTHORITY TO SUMMON BOARD MEETING

The Chairman shall either on his own initiative, or on requisition from any Director, calls a Board Meeting, pursuant to Sections 285 and 286 of the Act.

24. ADJOURNMENT OF BOARD MEETING/GENERAL MEETING FOR WANT OF QUORUM

- i. If a Board Meeting or General Meeting could not be held for want of quorum, the Chairman shall adjourn the meeting to such other place, date and time, as he may deem proper.
- ii. At the adjourned General Meeting, if the quorum is not present, within 30 minutes of the time fixed for the meeting, the Chairman shall proceed with the business of such meeting and the proceedings at such meetings shall be deemed to be valid as if they were conducted at the General Meeting where the quorum was present.

25. EXCLUSION OF SECTIONS 171, 173 AND 176

The provisions of Sections 171, 173 and 176 of the Companies Act, 1956 shall not apply to this Company.

26. LENGTH OF NOTICE FOR CALLING GENERAL MEETING

- i) A written notice of not less than 10 (ten) days shall, for every General Meeting, be given to the members to their address recorded in the Register of Members; PROVIDED THAT this period may be reduced if not less than two Directors agree so, in writing immediately preceding the General Meeting.
- ii) The period of notice, provided in the foregoing sub-article, shall include the day of posting and delivery of a notice and the day of holding the meeting, and the 48 hours time of postal transit, within the meaning of section 53 of the Act.

27. CONTENTS OF NOTICE AND PERSONS TO WHOM IT IS TO BE SERVED

- i) Every notice of a General Meeting shall specify the place, the day, and the time of the meeting and the agenda of business to be transacted thereat.
- ii) Notice of every General Meeting shall be served on the members of the Company, who are entitled to vote thereat, and the Auditors of the Company, in case of the Annual General Meeting, as required by Section 231 of the Act.

28. PROXY

A member who is entitled to attend and vote at the meeting may appoint an irrevocable proxy who shall be either a member of the Company or his (member's) relative, within the meaning of Section 6 of the Act.

29. CAPITALISATION OF PROFITS

- 1) The Company in General Meeting may, upon the recommendation of the Board, resolve:
 - a) that it is desirable to capitalize any part of the amount for the time being standing 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
 - b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst 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 provision contained in clause (3), 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 of the Company to be allotted and distributed, credited as fully paid up to and amongst such members in the proportions aforesaid; or



iii) partly in the way specified in sub clause (i) and partly in that specified in sub clause (ii).

- 3) A share premium account and a capital redemption reserve account may, for the purpose of this resolution, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- 4) The Board shall give effect to the resolution passed by the Company in pursuance of this resolution.

30. **WINDING UP**

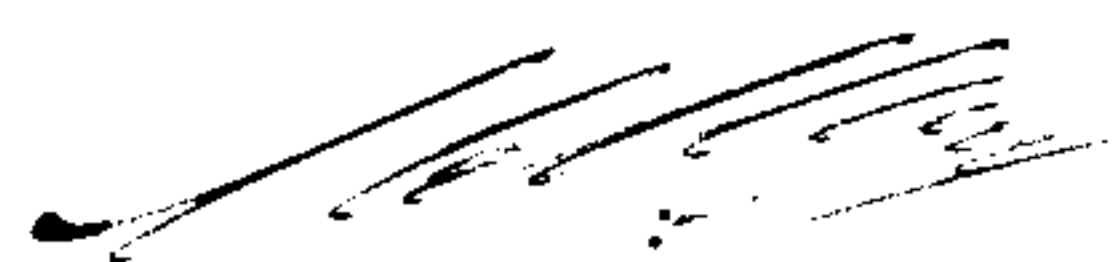
- i. If the Company shall be wound-up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the Members, in specie or kind, the whole or any part of the Company.
- ii. For the purpose of the aforesaid clause, the liquidator may set value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- iii. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidators, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

31. **INDEMNITY**

Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, 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 section 633 in which relief is granted to him by the Court.

32. **SECRECY CLAUSE**

Every Director, Manager, Company Secretary, Auditor, Member of Committee, Officer, Servant, Agent, Accountant or any other persons employed in the business or dealing with the Company shall, observe strict secrecy in respect of all transactions of the Company with individuals and in matters relating thereto, and shall not reveal any of the matters which may come to his knowledge during the course of his/her employment with the Company except when required so to do by the Directors, by 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 in these Articles contained.



33. ISSUE OF EQUITY SHARES TO EMPLOYEES UNDER STOCK OPTION PLAN

The Board of Directors can issue equity shares to the employees of the Company as and when required, at such price and on such terms and conditions as may be decided by them. The allotment of equity shares under this scheme has to be approved by the members at the General Meeting of the Company.

Sl. No.	Names, Address, Description & Occupation of the subscribers	Signature of the Subscribers	Signature of witness with Name, Address, Occupation and Description
1	<p>SANDEEP KUMAR FLAT NO 22, 1ST FLOOR, SIRSA CLUB JANTA BHAVAN ROAD SIRSA- 125055 Haryana-HR (Camp At Bangalore)</p> <p>Occupation - Business</p>	Signed/-	<p>Signed/-</p> <p>K.Mohan Kumar S/o. Krishnamurthy.G No.3, 5th Cross, 5th Main Jayamahal Extn, Bangalore-560046.</p>
2	<p>SUNIL KUMAR JALLAN D-002, PURVA PARAMOUNT 24TH MAIN, 25TH CROSS, HSR LAYOUT, 2ND SECTOR BANGALORE Karnataka India 560034</p> <p>Occupation- Business</p>	Signed/-	<p>Occupation- Chartered Accountant. (Mem no.206572)</p>

Dated this 15th Day of March 2012, at Bangalore.

