
**MEMORANDUM OF ASSOCIATION
AND
ARTICLES OF ASSOCIATION
OF
HONEYWELL AUTOMATION INDIA LTD.**

Reg.No.:-

C.I.N. U 2 9 2 9 9 P N 2 0 0 3 P L C 0 1 7 9 5 1

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
PUNE

In the matter of TATA HONEYWELL LIMITED

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act of 1956) read with the Government of India, Ministry of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the Company.

From: TATA HONEYWELL LIMITED

To : HONEYWELL AUTOMATION INDIA LIMITED

and I hereby certify that TATA HONEYWELL LIMITED

which was originally
Incorporated on THIRTEENTH Day of JANUARY, '1984 under the
Company Act, 1956 and under the name TATA PROCESS CONTROLS PRIVATE
LIMITED having duly passed
the necessary resolution in terms of Section 21/22(1)(a)/22(1)(b) of the Companies Act, 1956
The name of the said company is the day changed to HONEYWELL AUTOMATION
INDIA LIMITED and this
certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at PUNE this TWENTYSECOND Day of
DECEMBER Two Thousand Four.



(S. M. SAINDANE)
ASSTT. REGISTRAR OF COMPANIES, PUNE.



सत्यमेव जयते

Form I. R.

CERTIFICATE OF INCORPORATION

No. 31839 of 1983-84

*I hereby certify that **TATA PROCESS CONTROLS PRIVATE LIMITED** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.*

Given under my hand at BOMBAY this THIRTEENTH day of JANUARY One thousand nine hundred and EIGHTYFOUR.



Sd.,
V. GOVINDAN
Registrar of Companies
Maharashtra.

NO. 31839/TA

**CERTIFICATE OF CHANGE OF NAME IN THE
OFFICE OF THE REGISTER OF COMPANIES
UNDER THE COMPANIES ACT, 1956.**

In the Matter of TATA HONEYWELL PRIVATE LIMITED.

I do hereby certify that pursuant to the provisions of Section 23 of Companies Act, 1956 and the Special Resolution passed by the Company at its Extraordinary General Meeting on the 20.6.1988.

The name of TATA HONEYWELL PRIVATE LIMITED has this day been changed to TATA HONEYWELL LIMITED. And that the said Company has been duly incorporated as a company under the provisions of the said Act.

Dated this TWENTY NINTH day of JUNE One thousand nine hundred and eighty eight.



(V.N. JAGANNATH)
ASSTT. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY..

No. 31839/TA

**FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME**

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY.

In the matter of * TATA PROCESS CONTROLS PRIVATE LIMITED.

I hereby approve and signify in writing under Section 21 of the Companies Act, 1956 (Act I of 1956) read with the Government of India, Department of Company Affairs, Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the company from TATA PROCESS CONTROLS PRIVATE LIMITED to TATA HONEYWELL PRIVATE LIMITED.

And I hereby certify that TATA PROCESS CONTROLS PRIVATE LIMITED which was originally incorporated on THIRTEENTH day of JANUARY 1984 under the ** COMPANIES Act, 1956 and under the name TATA PROCESS CONTROLS PRIVATE LIMITED having duly passed the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of the Companies Act, 1956 the name of the said company is this day changed to TATA HONEYWELL PRIVATE LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act.

GIVEN UNDER MY HAND AT BOMBAY THIS EIGHTH DAY MAY
OF 1987 (One Thousand Nine Hundred Eighty Seven).



(V.S. GALGALI)
REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

Note :

1. * Here give the name of the company as existing prior to change.
2. ** Here given the name of the Act(s) under which the company was originally registered and incorporated.

Reg.No.: -

C.I.N. U 2 9 2 9 9 P N 2 0 0 3 P L C 0 1 7 9 5 1

कम्पनी अधिनियम 1956 कि धारा 17A(4)
[Section 17A(4) of Companies Act, 1956]
एक राज्य में एक स्थान से दूसरे स्थान पर पंजीकृत कार्यालय के
स्थानान्तरण होने पर पंजीकरण का प्रमाण - पत्र

CERTIFICATE OF REGISTRATION OF THE ORDER OF REGIONAL
DIRECTOR (W.R) CONFIRMING TRANSFER OF THE
REGISTERED OFFICE WITHIN THE STATE OF MAHARASHTRA

ने विशेष संकल्प द्वारा
रजिस्ट्रीकृत कार्यालय का महाराष्ट्र राज्य में एक स्थान से दूसरे स्थान पर स्थानान्तरण करके संगम - झापन के
उपबंधों में परिवर्तन कर दिया है और ऐसे परिवर्तन को क्षेत्रीय निदेशक (पं. क्षे.) के आदेशानुसार तारीख
की पुष्टि कर दी गई है.

The TATA HONEYWELL LIMITED

having by special resolution altered the provision of its Memorandum of Association
with respect to the place of the registered office by changing it from the jurisdiction of
the Registrar of Companies, MUMBAI to the jurisdiction
of the Registrar of Companies, PUNE and such alteration
having been confirmed by an order of Regional Director (W.R) Maharashtra bearing
date the 31-03-2003.

मैं एतद्वारा प्रमाणित करता हूँ कि उक्त आदेश की प्रमाणित प्रति आज तारीख को पंजीकृत की गई है।
I hereby certify that a certified copy of the said order has this day been registered.

यह मेरे हस्ताक्षर से स्थान पुणे, तारीख को दिया गया.

Given under my hand at PUNE this FOURTEENTH day of
MAY Two Thousand Three.

जे. एस. सी - 6
J. S. C. - 6



(S. RAMAKANTHA)
कम्पनीयों का रजिस्ट्रार, पुणे.
Registrar of Companies, Pune.

**MEMORANDUM OF ASSOCIATION
OF
HONEYWELL AUTOMATION INDIA LIMITED**

- I. The name of the Company is HONEYWELL AUTOMATION INDIA LIMITED.**
- II. The Registered Office of the Company will be situated in the State of Maharashtra, within jurisdiction of Registrar of Companies, Pune.**
- III. The objects for which the Company is established are :**
 - (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION.**
 1. To carry out business in the process control and management systems field on a turnkey basis or otherwise, interalia covering obtaining or supplying technological know-how, Research and Development, consultancy, trading, leasing, procurement, sales, manufacture of all connected hardware, system engineering, firmware and software activity, erection and installation, commissioning, testing and proving, maintenance, modifications and enhancement of process control and management systems including display systems based on all types of logical devices of current and future designs and all equipment and instruments used in these systems for any industrial and utilities applications.

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS

2. To acquire any shares, stock, debentures, debenture - stock, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise, and to guarantee the subscription there of and to exercise and enforce all rights and powers conferred by or incident to the ownership there of.
3. To promote, organise, manage, acquire, purchase, hold, sell or dispose of, shares or securities of Unit Trusts, whether of a fixed or of a variable character.
4. To borrow or raise or secure the payment of money by the issue or sale of debentures, debenture - stock, bonds, obligations, mortgages and securities of all kinds, either perpetual or terminable and either redeemable or otherwise, and to charge or secure the same, by trusts deed or otherwise, on the undertaking of the Company, or upon any specific property and rights, present and future, of the Company or otherwise howsoever, and to pledge or hypothecate any of the securities or investments of the kinds before mentioned, provided the Company shall not carry on Banking Business as defined under Banking regulations Act 1949, subject to provisions of Section 57A and R.B.I. directives.
5. To lend money with or without security and to make advances upon, hold in trust, issue, buy, sell or otherwise acquire or dispose of, on commission or otherwise, any of the securities or investments of the kinds before mentioned or to act as agents for any of the above or the like purposes.
6. To give guarantees, and carry on and transact every kind of guarantee and counter guarantee business and in particular to guarantee the payment of any principal moneys, interest or other moneys secured by or payable under any debentures, bonds, debenture - stock, mortgages, charges, contracts, obligations and securities, and the payment of dividends on and the repayment of the capital of stocks and shares of all kinds and descriptions and to give guarantees and indemnities in respect of the debts and contracts of any person, firm or body corporate, having objects altogether or in part similar to those of this Company.
7. To underwrite, undertake and subscribe, for, conditionally or unconditionally, stocks, shares, debentures and other securities, whether marketable or otherwise of any other company, having objects altogether or in part similar to those of the Company, to form, constitute and float companies, and to act as brokers for the issues of the shares of such companies, and to act as transfer agents and as Registrars to the issues.
8. To receive moneys on deposit, loan or otherwise, and to place moneys on deposit, loan or otherwise from or with any person, firm, or body corporate upon such terms as the Company may approve, subject to Section 58A and R.B.I. directives.
9. To purchase, or otherwise, acquire and undertake, the whole or any part of or any interest in the business, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities, of any other company, corporation, partnership body, persons or person carrying on, or having ceased to carry on, any business which the Company is authorised to carry on, or possessing property suitable for the purposes of the Company and upon such terms and subjects to such stipulations and conditions and at or for such price or consideration (if any),

in money, shares, moneys worth, or otherwise as may be deemed advisable.

10. To purchase, take on lease or in exchange, hire, or otherwise acquire any immoveable or moveable property, patents, licences, rights or privileges which the company may think necessary or convenient for any business of the Company and to develop and turn to account and deal with the same in such manner as may be thought expedient and to construct maintain and alter any buildings or works necessary or convenient for the purpose of the company.
11. To pay for any property or rights acquired by the Company either in cash or fully or partly paid shares or by the issue of securities, or partly, in one mode and partly in another and generally on such terms as may be determined.
12. To sell, mortgage, exchange, lease, grant licences, easements and other rights over, improve, manage, develop and turn to account and in any other manner deal with or dispose of the undertaking, investments, property assets, rights and effects of the Company or, any part thereof for such consideration as may be thought fit, including any stocks, shares or securities, of any other company, whether partly or fully paid up.
13. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, and other negotiable or transferable instruments.
14. To establish branches or agencies, whether by means of local boards or otherwise, anywhere in India or elsewhere at any place or places throughout the world, for the purpose of enabling the Company to carry on its business more efficiently, and to discontinue and reconstitute any such branches or agencies.
15. To procure the incorporation, registration, or other recognition of the Company, in any foreign state or place, and to make all deposits of money or securities, and do all things necessary for compliance with the laws or regulations of India or of any foreign, colonial, municipal or other Government, in places where the Company may be desirous of transacting its business.
16. To enter into any arrangements with any Government or authorities, municipal, local or otherwise, that may seem conducive to the Company's objects or any of them; and to obtain from any such Government or authority, any rights, privileges and concessions which the Company may think desirable to obtain; and to carry out, execute and comply with any such arrangements and the terms and conditions upon which any such rights, privileges and concessions have been obtained:
17. To apply for and promote any Act of any legislature, or order or other legislative or legal sanction, either in India or anywhere else in the world; and to take all necessary or proper steps in Parliament or with the authorities, national, local, municipal or otherwise, of any place in which the Company may have interests, and to carry on any negotiations or operations for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution or for any purposes deemed beneficial to the Company or likely directly or indirectly to promote the interests of the Company or its members and to oppose any steps taken by any authority, company, firm or person which may be considered likely directly or indirectly to prejudice the interests of the Company or its members.

18. To apply for and become members of any company, association, society or body corporate having any objects similar to or identical with those of the Company or likely directly or indirectly to promote the interests of the Company.
19. To encourage, promote and reward studies, researches, investigation, of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.
20. To make donations to any person, company or association, and to subscribe or guarantee money for any national, international, charitable, benevolent, educational, public objects, activity, exhibition or trade show, or for any purpose whatsoever which may be or appear to be conducive directly or indirectly to the furtherance of the objects of the Company or the interests of its members.
21. To grant donations, pensions, allowances, gratuities, benefits, emoluments and bonuses and provident fund, to persons employed by or formerly employed by or having dealings with the Company or of any company which is or has been a subsidiary of the Company, including the Directors of the Company or such other companies, and the widows and children of such persons and others dependent upon them or connected with them; and to provide schools, reading rooms, places of recreation, and to subscribe to any institutions, clubs or societies, or funds, or otherwise as the Company shall think fit, for the benefit of such persons; and to establish and support or aid in the establishment or support or associations, institutions, funds, trusts, and conveniences calculated to benefit any such persons; and to grant pensions, and allowances and to make payments towards insurance and to make donations to such persons and in such cases as may seem expedient.
22. To remunerate the Directors and employees or servants or any agent of the Company out of or in proportion to the returns or profits of the Company, or of any particular business carried on by it, as the Company may think fit.
23. To pay commission to any person, firm or company in consideration of his or their subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in or debentures of the Company.
24. Subject to the provisions of the Companies Act, 1956, to give any class or section of those who have dealings with the Company any rights over or in relation to any fund or funds, or a right to participate in the profits of any particular branch or part of the business, or any other special privileges, advantages or benefits.
25. To pay all expenses of and incidental to or connected with the formation and registration of the Company and carrying any of its objects into effect, and to make all proper payments and allowances in relation thereto, and adopt all acts and preliminary arrangements (including the execution of preliminary agreements) in reference to the same.
26. Subject to the provisions of the Companies Act, 1956, to distribute among the members, in specie, in the event of winding up any of the property of the Company.
27. To accumulate capital for any of the purposes of the Company, and appropriate any of the Company's assets to any specific purpose either conditionally or

unconditionally, and to create any depreciation, sinking, reserve, insurance, redemption, profits-equalisation, or other special fund.

28. To amalgamate with or enter into partnership or any joint purse or profit sharing arrangement with or co-operate with or subsidise or assist in any way any company, firm or person.
29. To enter into any partnership or arrangement in the nature of a partnership, co-operation or union of interests, with any person or persons, company or corporation engaged or interested or about to become engaged or interested in the carrying on or conduct of any business or enterprise which this Company is authorised to carry on or conduct or from which this Company would or might derive any benefit, whether direct or indirect.
30. To appoint trustees (whether individuals or corporations) to hold securities on behalf of and to protect the interests of the Company.
31. To do the above-mentioned things either by the Company itself or through the agency or medium of any company, corporation, firm or person, and at any place or places, whether in India or any where else in the world.
32. To do the above things as principals, agents, trustees, contractors or otherwise, and by or through trustees, agents corporations, contractors or otherwise, and either alone or in conjunction with any other or others.
33. To take part in the formation, management, supervision or control of the business or operations of any company or undertaking and for that purpose to act as administrators, or in any other capacity, and to appoint and remunerate any directors, administrators, managers or accountants or other experts or agents.
34. To act as trustee of any deeds constituting or securing any debentures, debenture-stock or other securities or obligations and to undertake and execute any other trusts, and also to undertake the office of or exercise the powers of executor, administrator, receiver, custodian and trust corporation.
35. To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks, securities, certificates or other documents based on or representing any shares, stocks, or other assets appropriated for the purposes of any shares, stocks, or other assets appropriated for the purposes of any such trust, and to settle and regulate, and if thought fit, to undertake and execute any such trusts and to issue, hold or dispose of any such preferred, deferred, or other special stocks, securities, certificates or documents.

C) OTHER OBJECTS:

36. To carry on the business of a trading company and as merchants, importers, exporters, buyers, sellers. Retailers and processors of, and dealers and agents in all kinds of commodities, materials, articles and goods including cotton and other fabrics, fabrics of all kinds, oil seeds, minerals, chemicals, ornaments and jewellery, bullion and coin, precious and semi-precious stones, objects of art, and products of every description, either raw or manufactured or in the natural state or processed.
37. To carry on the business of an Investment Company and to buy, underwrite, invest in, acquire in any manner, hold, sell or dispose of shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by the company constituted or carrying on business in India or

elsewhere and debentures, debenture-stock, bonds, obligations and securities, issued or guaranteed by any government, state, dominions, sovereign, ruler, commissioners, public body or authority, supreme, municipal, local or otherwise, firm or person whether in India or elsewhere and to deal with and turn to account the same, provided always that no investment imposing unlimited liability on the Company shall be made.

38. To carry on business as financiers and to undertake and carry out all such businesses, operations transactions as an individual capitalist may lawfully undertake and carryout except banking and insurance business which may fall within the purview of the Banking Regulation Act, 1949, or the Insurance Act, 1938.
39. To act as agents for investments, loan, payment transmission and collection of money, and for purchase, sale, improvement development and management of all kinds of property, moveable and immoveable and of all kinds of business concerns and undertakings.
40. To acquire and exploit agencies from any person, firm or company, and to carry on the business of selling or purchasing agents, and to take up and exploit sole agencies, to act as mercantile agents, manufacturers' representative, mucedums and brokers, and to transact every kind of agency business and to act as commission agents generally.
41. To carry on the business of consultants, advisers, experts and technical collaborators in matters pertaining to investment, finances, management, prospecting and projecting of business, and valuation of undertaking, business-concerns, assets, concessions, properties or rights; and to employ experts for any of these purposes.
42. To carry on the business of manufacturing, repairing, reconditioning, servicing, processing and dealing in machinery, machine tools, machine parts, apparatus and instruments, implements, and accessories, chemicals and stores and articles of every description.
43. To manufacture and produce all kinds of chemicals, including heavy chemicals and fine chemicals and also all kinds of chemical preparations industrial, agricultural, medicinal pharmaceutical, toilet and otherwise and allied and auxiliary products and intermediates thereof and biochemical products of any nature and kind whatsoever.
44. To manufacture, purchase, export and import or otherwise deal in all kinds of engineering goods, equipments, implements, tools, stores, accessories and requisites.

And it is hereby declared that :

- i) The objects set out in Part B of this Clause shall be incidental or ancillary to the Objects set out in Part C also.
- ii) The objects set forth in any sub-clause of Part A or Part B or Part C of this Clause shall not, except when the context expressly so requires, be in anywise limited or restricted by reference to or inference from the terms of any other subclause or by the name of the Company, the intention being that the objects specified in each sub-clause of Part A or Part B or Part C of this Clause shall, except, where otherwise expressed in such sub-clause, be independent substantive objects, and that the Company shall have full power, authority and right to exercise,

singly or jointly, in India or in any part of the World. The powers conferred by any sub-clause.

IV The Liability of the members is limited.

V The Authorised Share Capital of the Company is Rs.10,00,00,000/- (Rupees Ten Crores Only) divided into 1,00,00,000 (Rs. Crore) Equity shares of Rs.10/- (Rupees Ten) each, with the rights, privileges or conditions as provided by the Articles of Association of the Company for the time being. But the Company shall have power to increase or reduce its capital; and to divide the shares in the capital for the time being into several classes, and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be permissible by law and as may be determined by or in accordance with the Articles of Association of the Company for the time being in force; and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by law and as may be provided by the Articles of Association of the Company for the time being in force.

(As amended as per the Ordinary Resolution passed at the Eight Annual General Meeting of the Company held on September 29, 1992).

We, the several persons, whose names, addresses and occupations are hereunder subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:

Name, address description and occupation of each subscriber	Number of Equity shares taken by Subscriber	Signature of subscriber	Signature of witness and his name, address description and occupation
Shiavax Ratanshaw Vakil S/o Ratanhaw Koyaji Vakil Address: Bombay House Sir Homi Mody Street Bombay, Occupation: Advocate and Notary	10 (Ten) Equity	Sd./-	
Brigadier (Retd) Bhaskar Purshottam Upasani S/o Purushottam Anant Upasani Address: Hollan House, Annexe 11-c, shahid Bhagatsingh Marg, Bombay - 400039 Occupation : Company Executive	10 (Ten) Equity	Sd/-	Sd/- Miss Roshan Minocher Master Address: Bombay House, 24, Homi Modi Street, Bombay - 400023 Advocate Assistant
Total	20 (Twenty) Equity		

Dated this 14th day of December, 1983

**ARTICLES OF ASSOCIATION
OF
HONEYWELLAUTOMATION INDIA LIMITED**

I. CONSTITUTION OF THE COMPANY

1. **HONEYWELLAUTOMATION INDIA LIMITED** is established subject to the provisions of the Companies Act, 1956, but none of the regulations contained in the Table marked 'A' Schedule I to the Companies Act, 1956, shall be applicable to the Company except in so far as the said Act or any modification thereof otherwise expressly provides.
2. The regulations for the management of the Company and for the observance of the members thereof and their representatives and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of, addition to, its regulations in the manner prescribed by Section 31 of the Companies Act, 1956, shall be such as are contained in these Articles.

Table A not to
apply

Company to
be governed
by these
Articles

II. INTERPRETATION

3. In the interpretation of these Articles, the following words and expressions shall have the following meanings, unless repugnant to the subject or context:

Interpretation
Clause

'The Act' or 'the said Act' and reference to any section or provision thereof respectively means and includes the Companies Act, 1956, (1 of 1956) and any statutory modification thereof for the time being in force, and reference to the section or provision of the said Act or such statutory modification.

'The Act' or
'The said Act.'

'Affiliate' in the case of Honeywell means an entity which control, is controlled by, or is under common control with, **HONEYWELL**. 'Control' for this purpose means the direct or indirect ownership of more than fifty percent (50%) of the outstanding stock, share capital or equity interest entitled to vote or participate in the management of such entity, or the direct or indirect right to vote or cause to be voted by proxy or otherwise, such stock, share capital or equity interest.

Affiliate

(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)

'**HONEYWELL**' shall mean **HONEYWELL** Incorporated, a corporation duly created, organised and existing under and by virtue of the laws of the State of Delaware, U.S.A., having its principal place of business at Honeywell Plaza, Minneapolis, Minnesota 55408. U.S.A.. and/or any of its affiliates.

Honeywell

"The Board or Board of Directors"	The Board' or the 'Board of Directors' means a meeting of the Directors duly called and constituted or as the case may be the directors assembled at a Board, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles.
"The Company" or "This Company"	'The Company' or This Company' means Honeywell Automation India Limited.
"Directors"	'Directors' means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.
"Persons"	'Person' includes corporations as well as individuals.
"These presents or Regulations"	'These Presents' or 'Regulations' means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires.
"The Seal"	'The Seal' means the Common Seal of the Company.
In writing	'In writing' means written printed or lithographed or in any other mode of representing or reproducing words in visible form.
Singular Number	Words importing the singular number include the plural number and vice versa.
Masculine gender	Words importing masculine gender include the feminine gender.
Marginal Notes	The marginal notes are inserted for convenience and shall not affect the construction of these Articles.

4. SOCIAL RESPONSIBILITIES OF THE COMPANY :

The Company shall have among its objectives the promotion and the growth of the national economy through increased productivity, effective utilisation of materials and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

(As amended as per the Special Resolution passed at the Thirteenth Annual General Meeting of the Company held on September 1, 1997)

III. CAPITAL

5. a) The Authorised Share Capital of the Company is Rs. 10,00,00,000/ (Rupees Ten Crores) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10/- (Rupees ten) each. The Authorised Capital may be increased in accordance with the Company's resolutions and the legislative provisions for the time being in force and may be divided into several classes with any preferential, qualified or other special rights, privileges, conditions or restrictions attached thereto, whether in regard to dividend, voting, return of capital or otherwise.

Authorised
Capital

(As amended as per the Special Resolution passed at the Eighth Annual General Meeting of the Company held on September 29, 1992)

- b) Honeywell Asia Pacific Inc. a Company with limited liability organised and existing under the laws of the State of Delaware U.S.A. and its affiliates (hereinafter referred to as **HAPI**) shall be entitled to acquire and hold such number of equity shares as will form upto 81.24% or the issued and paid-up equity share capital of the Company at any time,

(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)

6. The Company may, subject to the provisions of the Act, issue Preference Shares which are, or at the option of the Company are to be liable, to be redeemed and may redeem such shares in any manner provided in the said section, and may issue shares upto the nominal amount of the shares redeemed or to be redeemed as provided in the said Act. Where the Company has issued redeemable Preference Shares the provisions of the said Act shall be complied with.

Issues of
redeemable
preference
shares

7. Subject to the provisions of the Act and these Articles the Directors may allot and issue share in the capital of the company as payment or part payment for any property or assets of any kind whatsoever sold or to be sold or transferred, or to be transferred for goods or machinery supplied or to be supplied or for services rendered or to be rendered or for technical assistance or know-how made or to be made available to the Company or the conduct of its business and shares which may be so allotted may be issued as fully or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully or partly paid as the case may be.

Allotment
otherwise
than cash

Power to
issue shares
of different
classes

8. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by ordinary resolution determine.

IV SHARES AND SHAREHOLDERS

Shares at the
disposal of
the Directors

9. Subject to the provisions of the said Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or anyone of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of the Act) at a discount and at such times as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at par or at premium or subject as aforesaid at a discount during such time and for such consideration and such option being exercisable at such times as the Directors think fit and may allot and issue shares in the capital of the Company in lieu of services rendered to the Company or in the conduct of its business; and any shares which may be so allotted may be issued, as fully paid-up shares and if so issued shall be deemed to be fully paid-up shares.

Acceptance
of shares

10. An application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares or agrees to become a member of the Company and whose name is entered in its Register of Members shall, for the purpose of these Articles, be a member of the Company.

Deposit and call, etc.
to be a debt payable
immediately.

11. The money (if any) which, the Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.

Installments
on shares to
be duly paid.

12. If, by the conditions of allotment of any shares the whole or part of the amount or issue thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the shares or his legal representative.

Liability of
members

13. Every member, or his executors, administrators or other representative shall pay to the Company the portion of the capital represented by his shares or shares, which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

14. If any share stands in the names of two or more persons all the joint holders of the share shall be severally as well as jointly liable for the payment of all deposits, installments, and calls due in respect of such shares and for all incidents thereof according to the Company's regulations. But the person first named in the Register shall, as regards service of notice, and all other matter connected with the Company, except the transfer of the share and any other matter by the said Act or herein otherwise provided be deemed the sole holder thereof.

Liability of
Jointholders

15. Save as herein or by the law otherwise expressly provided, the Company shall be entitled to treat the registered holder of any share as the: absolute owner thereof, and accordingly the owner shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any benami trusts whatsoever or equitable contingent, future, partial or other claim to or interest in such share, on the part of any other person whether or not it shall have express or implied notice thereof, the provisions of the Act shall apply save as aforesaid, no notice of any trust expressed, implied or constructive, shall be entered in the Register; the Directors shall, however, be at liberty, at their sole discretion to register any share in the joint names of any two or more persons, and the survivor or survivors of them.

Registered
holder only
the owner
of the shares

15A. DEMATERIALISATION OF SECURITIES

1. For the purpose of this Article:

Definitions

"Beneficial Owner" means a person or persons whose name is recorded as such with a depository.

"SEBI" means the Securities & Exchange Board of India

"Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a Certificate of Registration to act as a Depository under the Securities & Exchange Board of India Act, 1992; and

"Security" means such security as may be specified by SEBI from time to time.

Dematerialisation
of securities

2. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996.

Options for
investors

3. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his security with a depository, the Company

shall intimate such depository the details of allotment of the security and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Securities in
depositories to
be in fungible
form

4. All Securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 15B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of
depositories and
beneficial
owners

5. (a) Notwithstanding anything to the contrary contained in the Act or these Articles a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.

(b) Save as otherwise provided in (a) above the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of securities held by it.

(c) Every person holding securities of the Company and whose name is entered as beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of
documents

6. Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company means of electronic mode or by delivery of floppies or discs.

Transfer of
securities

7. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

Allotment of
securities dealt with
by a depository

8. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

Distinctive number of
securities held in a
depository

9. Nothing contained in the Act or these Articles regarding the necessity of having of distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

Register and index of
beneficial owners

10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.

(As amended by the special resolution passed in the A.G.M. held on 21st September 1998.)

V. UNDERWRITING AND BROKERAGE

Underwriting and
brokerage

16. The Company may subject to the provisions of Section 76 and other applicable provisions (if any) of the Act, at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or his procuring or agreeing to procure, subscriptions, whether: absolutely or conditionally, for any shares in or debentures of the Company but so that the amount or rate of commission does

not exceed in the case of shares 5% of the price at which the shares are issued and in the case of debentures 2 1/2% of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

VI. CERTIFICATES

17. Subject to any statutory or other requirements having the force of law governing the issue and signatures to and sealing of certificate relating to shares and applicable to this Company for the time being in force, the certificate of title of shares and the duplicate thereof, when necessary, shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (1) 2 Directors or persons acting on behalf of the Directors under a duly registered power of attorney and (2) the Secretary or some other person appointed by the Board for the purpose. A Director may sign a share certificate by affixing signature there on by means of any machine, equipment or other mechanical means such as engraving in matter or lithography but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. Provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than managing or whole-time Directors. Certificate of Shares
18. (a) Every member shall be entitled without payment, to one certificate for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete such certificate within three months after the allotment or such period as may be determined at the time of the issue of such capital whichever is longer or within one month after the receipt of the application for transfer thereof. Each Certificate of shares shall have its distinctive number and be issued under the Seal of the Company and shall specify the number and distinctive number of the share in respect of which it is issued and the amount paid thereof and shall be in such form as the Directors shall prescribe or approve, provided that in respect of a share or shares held jointly by several persons. The Company shall not be bound to issue more than one certificate and the delivery of a Certificate for a share or shares to one of several joint-holders shall be deemed to be sufficient delivery to all. Members right to certificate
- (b) A certificate of shares registered in the names of two or more persons, unless otherwise directed by them in writing, may be delivered to any one of them on behalf of all of them. Certificate of share may be delivered to any one of joint holders
19. If any certificate be worn out, defaced, destroyed or lost or there be no further space on the back thereof, endorsement of transfer, then upon production thereof to the Directors, they may be order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity, if any as the Directors deemed adequate being given, a new certificate in lieu thereof, shall be given to the parties entitled to such lost or destroyed certificate. No fee shall be charged for Issue of new certificate in place of one defaced, lost or destroyed

every certificate issued under this clause and for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

Directors may waive fees 20.

The Directors may waive payment of any fee generally or any particular case.

Endorsements on certificate 21.

Every endorsement upon the certificate of any share in favour of any transferee thereof shall be signed by such person for the time being authorised by the Directors in that behalf.

Directors to comply with rules 22.

The Board shall comply with requirements prescribed by any rules made pursuant to the said Act relating to the issue and execution of share certificates.

VII. CALLS ON SHARES

Directors may make calls 23.

Subject to the provisions of the said Act and the provisions of these Articles, the Directors may, from time to time, by means of resolutions passed at meeting of the Board make such calls as they may think fit upon the members in respect of moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors.

Call to date from resolution 24.

A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by members on a subsequent date to be specified by Directors.

Notice of call 25.

a) Fifteen days notice at least of every call made payable otherwise than on allotment shall be given by the Company in the manner here in after provided for the giving of notice, specifying the time and place of payment, and the person to whom such call shall be paid. Provided that before the time for payment of such call the Directors may by notice given in the manner hereinafter provided revoke the same.

The directors may extend time for payment

b) The Directors may, from time to time at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who, owing to residence at a distance or owing to other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to any such extension, except as a matter of grace and favour.

Calls by installments and provisions applicable there to 26.

If by the terms of issue of any share or otherwise any amount is payable at any fixed time or by installment at fixed times, whether on account of the amount of the share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installments accordingly.

When interest on call or installment payable 27.

If the sum payable in respect of any call or such other amount or installments be not paid on or before the day appointed for payment thereof or any other extension thereof as aforesaid, the holder for the time being of the shares, in respect of which the call shall have been made, or such amount or instalment shall be due, shall pay interest for the same, from the day appointed for the payment thereof to the

time of actual payment at such rate not exceeding twenty percent per annum, as shall from time to time be fixed by the Directors. Nothing in this Article shall, however, be deemed to make it compulsory on the Directors to demand or recover any such interest, and the payment of such interest, wholly or in part, may be waived by the Directors if they think fit so to do.

28. Any money due from the Company to a member may, without the consent and notwithstanding the objection of such member, be applied by the Company in or towards the payment of any money due from him to the Company for calls or otherwise. Money due to members from the Company may be applied in payment of call or installment
29. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part-payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the forfeiture of such shares as here in after provided. Part payment on account of call etc. not to preclude forfeiture
30. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which sum money is sought to be recovered, and that amount claimed is not entered as paid on the books of the Company or the Register of Members and 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 or his legal representatives sued in pursuance of those presents; and it shall not be "necessary to prove the appointment of the Directors, who made such call, nor that a quorum of Directors was present at the Board at which such call was made was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt, and the same shall be recovered by the Company against the member or his representative from whom it is sought to be recovered, unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the Register, or that the money sought to be recovered has actually been paid. Proof on Trial or Suit for money on shares
31. (a) The Directors may, if they think fit, subject to the provisions of the Act receive from any member willing to advance the same, either in money or moneys worth the whole or any part of the amount remaining unpaid on the shares held by him beyond the sum actually called up and upon the moneys so paid or satisfied in advance, or so much thereof, as from time to time and at any time there after exceeds the amount of the calls made upon such shares, unless there be an express agreement to the contrary: and after such repayment such Payment of unpaid share capital in advance

Interest may be
paid there on

Repayment of such
advances

Priority of payment
in case of winding
up

No right to vote

member shall be liable to pay, and such shares shall be charged with the payment of all future calls as if no such advance had been made; provided also that if at any time after the payment of any money so paid in advance, the Company shall go into liquidation, either voluntary or otherwise, before the full amount of the money so advanced shall have become due by the members to the Company, or installments or calls or in any other priority manner, the maker of such advance shall be entitled (as between of payment himself and other members) to receive back from the Company in case of the full balance of such moneys rightly due to him by the Company winding up in priority to any payment to members on account of capital.

- b) The member making such advance shall not, however, be entitled to any voting rights, to vote in respect of the moneys so advanced by him until the same would but for such payment become presently payable.

VIII. FORFEITURE AND SURRENDER OF AND LIEN ON SHARES

If call or installment
not paid, notice to
be given to
members

If any member fails to pay any money due from him in respect of any call made or amount or installment as provided Articles 23 to 26 or before the day 'appointed for payment of the same, or any such extension thereof as aforesaid i or interest due on such call or amount or instalment or any expenses that may have been incurred thereon, the Directors or any person authorised by them for the purpose may, at any time thereafter, during such time as such money remain unpaid, or a judgement or a decree in respect thereof remains unsatisfied, in whole or in part, serve a notice in the manner hereinafter provided for the 'serving of notices on such member or any of his legal representative or any of the persons entitled to the share by transmission', requiring payment of the money payable in respect of such share, together with such interest and all expenses (legal or otherwise) incurred by the Company by reason of such non-payment.

Terms of notice 32.

The notice shall name a day (not earlier than the expiration of fourteen days from the date of the notice) and place or places on or before and at which the money due as aforesaid is to be paid. The notice may also state that, in the event of the non-payment of such money at or before the time and the place appointed the shares in respect of which the same is owing will be liable to be forfeited.

In default of
payment, shares
may be forfeited 34.

If the requirements of any such notice as aforesaid are not complied with every or any share in respect of which the notice is given may, at any time : thereafter before payment of all calls or amounts or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of
forfeiture 35.

The period of two months will be given to the share holder from the first notice of forfeiture. When any share shall have been forfeited, notice of the forfeiture: shall be given to the member in whose name it stood immediately prior to the forfeiture or to any of his legal representatives, or to any of the persons entitled to the shares by

- transmission and an entry of the forfeiture shall in manner be invalidated by any omission or entry of neglect to give such notice, or to make such entry as aforesaid. Entry of forfeiture on Register of Members
36. Any share so forfeited shall be deemed to be the property of the Company and the Directors may sell, re-allot, or otherwise dispose of the same, upon such terms and in such manner as they shall think fit etc. Forfeited shares to become property of the company and may be sold etc.
37. In the meantime and until any share so forfeited shall be sold, re-allotted or otherwise dealt with as aforesaid, forfeiture thereof may at the discretion and by a resolution of the Directors be remitted or annulled as a matter of grace and favour but not as of right, upon such terms and conditions as they think fit. Forfeiture may be remitted or annulled
38. Any member whose shares have been forfeited shall notwithstanding the forfeiture remain liable to pay; and shall forthwith pay to the Company all calls, amounts, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at the rates not exceeding 20 percent per annum as the Directors may determine, in the manner in all respects as if the shares had not been forfeited, without any deduction or allowance for the value of the shares at the time of the forfeiture, and the Director may enforce the payment thereof if they think fit (but without being under any obligation so to do) without entitling such member or his representative to any remission of such forfeiture or to any compensation for the same, unless Directors shall think fit to make such compensation, which they shall have full power to do, in such manner, and on such terms on behalf of the Company as they shall think fit. Member's still liable to pay money due notwithstanding the forfeiture
39. The forfeiture of a share shall involve the extinction of all interest in and of all claims and demands against the Company of the member in respect of the share, and all other rights of the members incidental to the share except only such of those rights as by these Articles are expressly saved. Effect of forfeiture
40. The Directors may, subject to the provisions of the Act, accept a surrender of any shares from or by any member desirous of surrendering them on such terms as they think fit. Surrender of shares
41. A certificate in writing, under the signature of one Director, and counter signed by any other person who may be authorised for the purpose by the Directors, that the call amount or instalment in respect of a call, amount or instalment was or the expenses were payable, as the case maybe, the notice thereof as aforesaid was given and default in payment was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the facts stated therein as against all persons entitled to or interested in such share. Certificate of forfeiture
42. The Company may receive the consideration, if any given for the share on any sale, re-allotment or other disposition thereof, and the person to whom such share is sold, re-allotted or disposed of may be registered as the, holder of the share and shall not be bound to see the application of the consideration, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, reallotment or other disposal of the share. Title of Purchaser
43. The Company shall have a first and paramount lien upon all the shares, not

Company's lien on shares

being fully-paid up shares, registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof, for all moneys from time to time due or payable by him, to the Company for calls then made and all amount or installments as provided by Article 26 payable in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Article 15 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien if any, on such shares. The Directors may at any time declare any shares to be exempt, wholly or partially from the provisions of this Article.

Lien enforced by sale 44.

For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit and transfer the same to the name of the purchaser, without any consent and notwithstanding any opposition on the part of the indebted member or any other person or persons interests therein, and a complete title to the shares which shall be sold and transferred shall be acquired by the purchaser, by virtue of such sale and transfer, against such indebted member and all persons claiming with or under him whether he may be indebted to the Company in point of fact or not. But no such sale shall be made until notice in writing stating the amount due, or specifying the liability or engagement and demanding payment or fulfillment or discharge thereof, and of the intention to sell in default shall have been served upon such member, or his heirs, executors, administrators, or other representatives or upon the persons (if any) entitled by transmission to the shares or anyone or more of such heirs, executors, administrators, representatives or persons, and default shall have been made by him or them in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice.

Application of sale proceeds 45.

The net proceeds of any such sale after payment of the costs of such sale, shall be applied in or towards the satisfaction of such debts, liabilities or engagements, and the residue (if any) paid to such member, or any of his heirs, executors, administrators, representatives or assigns or any of the persons (if any) entitled by transmission to the, shares sold.

Execution of instrument of transfer 46.

Upon any sale after forfeiture on upon any sale for enforcing a lien, in purported exercise of the powers hereinbefore given, the Directors may appoint some person or persons to execute an instrument of transfer of the shares sold.

Validity of sale of such shares 47.

Upon any such sale after forfeiture, or for enforcing lien in purported exercise of powers the Directors shall cause the purchaser's name to be entered in the Register in respect of the shares sold and shall issue to the purchaser a certificate such as is specified in Article 18 hereof in respect of the shares sold and the purchaser shall not be hound to see to 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 and against the Company exclusively.

IX. INCREASE, REDUCTION AND ALTERATION IN CAPITAL

48. a) The Company may from time to time in General Meeting increase its share capital by the issue of new shares of such amount as it thinks expedient.

- b) Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed 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 distribution of assets of the Company and any Preference Shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed. Increase of capital
49. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of offer, are holders of the equity shares of the Company in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date, and such offer shall be made in accordance with the provisions of the Act. Provided that notwithstanding anything hereinbefore contained, the further shares aforesaid may be offered to any person, whether or not those persons include the persons, who at the date of the offer, are holders of the equity shares of the Company in any manner whatsoever. Rights of Equity share holders to further issue of capital
- a) If a Special Resolution to that effect is passed by the Company in General Meeting, or
- b) When no such Special Resolution is passed if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the Resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members who being entitled to do so, vote in person, or where proxies are allowed by proxy, exceed the votes if any cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf that the proposal is most beneficial to the Company.
50. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the original equity capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise. Same as original capital
51. 1. The Company shall not have the power to buy its shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Article 53 in pursuance of the Act. Restrictions on purchase by company of its own shares
2. Except to the extent permitted by the Act, the Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise and financial assistance for the purpose of or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.
3. Nothing in this Article shall affect the right of the Company to redeem any Redeemable Preference Shares issued under Article 6 under relevant provisions (if any) of the Act.
52. On the issue, of Redeemable Preference Shares under the provisions of Article 6 the following provisions shall take effect:

Provision in case of
redeemable
preference shares.

- a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.
- b) No such shares shall be redeemed unless they are fully paid.
- c) The premium, if any, payable on redemption shall be provided for out of the profits of the Company or out of the Company's Share Premium Account before the shares are redeemed.
- d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend be transferred to a Reserve Account to be called 'The Capital Redemption Reserve Account' as sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of a Company shall except as provided under the Act or herein apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.
- e) Subject to the provisions of the Act and this Article the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

Reduction of
capital

53.

The Company may from time to time by Special Resolution reduce its share capital in any way authorized by law and in particular may payoff any paid up share capital upon its footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

Issue of further
pari passu shares
not to affect the
right of shares
already issued.

54.

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not be affected unless otherwise expressly provided by the creation or issue of further shares ranking pari passu therewith.

X. CONVERSION OF SHARES INTO STOCK

Conversion of
shares into stock
and reconversion

55.

The Company may by ordinary resolution:

- a) Convert any fully paid-up shares into stock; and
- b) reconvert any stock into fully paid-up shares of any denomination.

56.

The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit; provided that, the Board may from time to time fix the minimum amount of stock transferrable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Rights of
shareholders

57.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends voting at meeting of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an

amount of stock which would not, if existing in shares have conferred that privilege or advantage.

58. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock and the words 'shares' and 'shareholder' in those regulations shall include 'stock' and 'stock holder' respectively." Regulations

XI. JOINT HOLDERS

59. Where two or more persons are registered as the holders of any shares they' shall be deemed (so far as the Company is concerned) to hold the same as joint-holders with benefits of survivorship subject to the following and other provisions contained in these Articles: Joint holders
- a) The Company shall be entitled to decline to register more than four persons as the joint-holders of any shares. : No transfer to more than four persons
- b) The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect to such shares. Liabilities of joint holders
- c) On the death of anyone or more of such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Death of joint holders
- d) Anyone of such joint-holders may give effectual receipts for any dividends or other moneys payable in respect to such shares. Receipt of one sufficient
- e) Only the person whose name stands first in the Register of Members as one of the joint holders of any shares shall be entitled to delivery of the certificate relating to such share or to receive notices (which expression shall be deemed to include all documents as defined in Section 2 of the Act) from the Company and any notice given to such person shall be deemed a notice to all the Joint holders. Delivery of certificate and giving of notice to first named holders
- f) Anyone of two or more joint-holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share alone be entitled to vote in respect thereof. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorized under power of attorney or by proxy although the name of such person 'present by an agent or proxy stands first in Register in respect of such shares. Vote of joint holders

Several executors of a deceased member in whose (deceased member) sole name any share stands shall for the purpose of this subclause be deemed joint-holders.

XII. TRANSFER AND TRANSMISSION OF SHARES

- Register of transfer 60. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.
- Form of transfer 61. Shares in the Company shall be transferred by an instrument in writing in such form as is prescribed under Section 108 of the Companies Act, 1956, or under rules made thereunder from time to time.
- Application for transfer 62.
 1. An application for the registration of a transfer of the shares or other interest of a member in a Company may be made either by the transferor or the transferee.
 2. Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
 3. For the purposes of Sub-Clause (2) above notice to the transferee shall be deemed to have been duly given if it is despatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
- To be executed by Transferor and Transferee 63. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.
- Transfer not to be registered except on production of instrument of transfer 64. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any of the transferee, has been delivered to the Company alongwith the certificate relating to the shares, or if no such share certificate is in existence, alongwith the letter of allotment of the shares: Provided that where an application in writing made to the Company by the transferee proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the Transferee has been lost, the Company may register the transferee on such terms as to indemnity as the Board may think fit; Provided further that nothing in this 'Article shall prejudice any power of the Company to register as member any person to whom the right to any shares in the Company has been transmitted by operation of law.
- Directors may refuse to register transfer 65. Subject to the provisions of Section III of the Act, or any statutory modification thereof for the time being in force, the Directors may at their own absolute and uncontrolled discretion and without assigning any reason decline to 'register or acknowledge any transfer of shares and in particularly may so decline in any case in which the Company has a lien upon the shares or any of them or whilst any money in respect of the shares desired to be transferred as 'any of them or whilst any money in respect of the share desired to be transferred any of them remain unpaid for unless the transferee is approved by the

Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee. Provided that registration of transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.

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| 66. | The Board will not refuse the application for consolidation of Share Certificate or transfer of shares in whatever lot may be. | Sub-division / consolidation in marketable lots only |
| 67. | The Board may refuse the application to split a Share Certificate into several scrips of very small denominations or to transfer the shares to several parties comprised in a Share Certificate involving a splitting of shares appears to be unreasonable or without a genuine need. | Board's Power to refuse transfer in certain cases |
| 68. | If the Company refuses to register the transfer of any share or transmission of any right therein, the Company, shall within One month from the date on which the instrument of transfer or intimation of transmission has lodged with the Company send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be. | Notice of refusal to be given to transferor and transferee |
| 69. | A transfer of a share or other interest in a Company of a deceased member, thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he had been a member at the time of the execution of the instrument of transfer | Transfer by legal representative |
| 70. | The instrument of transfer shall after registration be retained by the Company and shall remain in its custody, All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more. | Custody of transfer |
| 71. | The Directors shall have power on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books and/or register of members or debenture holders of the Company, for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time. | Closure of transfer book |
| 72. | The executors or administrators of a deceased member or a holder of a Succession Certificate (whether European, Hindu, Mohammedan, Parsi or otherwise not being one of two or more joint holders) shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators unless such executors or administrators shall have first obtained Probate or Letters of Administration as the case may be, from a duly Constituted Court in India provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate and under the next Article register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member | Title of the share of the deceased holder |
| 73. | Subject to the provisions of the Act and the Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or | |

Registration of
persons entitled to
shares otherwise than
by transfer
(Transmission clause)

insolvency of any member or by any lawful means other than by transfer in accordance with these presents may, with the consent of the Directors' (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares; Provided nevertheless that if such person shall elect to have his nominee as instrument of transfer of the share in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of such shares. This Clause is herein referred to as the Transmission Clause.

Refusal register
nominee 74.

Subject to the provisions of the Act and these Articles the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Board may require
evidence of
transmission 75.

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Fee on transfer or
transmission 76.

No fees shall be charged by the Company on any transfer/transmission of shares of the Company.

Company not
liable for
disregard of a
notice prohibiting
registration of
transfer 77.

The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same share notwithstanding that the Company may have had notice of such equitable right title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard to attend or give effect to any notice which may be given to them of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

XIII. GENERAL MEETINGS

Annual General
Meeting

78. a) The Company shall, in addition to any other meetings which are hereinafter referred to as Extraordinary General Meetings, hold a General Meeting which shall be styled its-Annual General Meeting at the intervals and in accordance with the provisions hereinafter mentioned.
- b) The First Annual General Meeting of the Company shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting of the Company shall be held within six

months after the expiry of each financial year provided however that if the Registrar shall have for any special reason extended the time within which any Annual General Meeting shall be held by further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the Registrar. Except in cases where the Registrar has given an extension of time as aforesaid for holding any Annual General Meeting not more than fifteen months shall elapse between the date of one Annual Meeting and that of the next.

- c) Subject to the provisions of section 166 of the Act every Annual General Meeting shall be called for any time during business hours on a day that is not a public holiday and shall be held either at the Registered Office of the company or at some other place within the city town or village in which the Registered Office of the Company is situated and the notice calling the meeting shall specify it as the Annual General Meeting.

79. The provisions of Section 171 to 186 of the Act shall apply with respect to general meetings of the Company. Provisions of Act to apply to General Meeting

80. A General Meeting may be called by giving not less than twenty one days clear notice in writing, or at shorter notice if consent is accorded thereto by members in terms of provision of Companies Act 1956. Notice of general meeting

81. 1) Every notice of a General Meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Contents of notice and manner of service

2) Notice of every General meeting shall be given in any manner authorised by the Act, to:

- a) every member except those members who (having no registered address in India) have not supplied to the Company an address in India for the giving of the notices to them;
- b) every person upon whom the ownership of a share devolves by reason of his being a liquidator or legal personal representative or official Assignee or Receiver or a member where the member but for its liquidation or his death or insolvency would be entitled to receive notice of the meeting; and
- c) the auditor or auditors for the time being of the Company. No other person shall be entitled to receive notices of general meetings.

82. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. Extraordinary General Meeting

83. The Board of Directors may call an Extraordinary General Meeting whenever it thinks fit. Directors may call extra ordinary general meeting

1) The Board of Directors shall, on the requisition of such number of members of the Company as hold in regard to any matter at the date of deposit the requisition, not less than one-tenth of such of the paid up capital of the Company as at that date carries, the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (Including the provisions below) shall be applicable. Calling of extra ordinary meeting on requisition

2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the

requisitionists and shall be deposited at the Registered Office of the Company.

- 3) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
- 4) Where two or more distinct matters are specified in the requisition, the provisions of Sub-Clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that sub-clause is fulfilled.
- 5) If the Board of Directors does not within twenty - one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by these requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid up share capital held by the Company as is referred to in Sub-Clause (1) above whichever is less.
- 6) A Meeting called under Sub-clause (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meeting is to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.
- 7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the company and any sum so repaid shall be retained by the Company out of any sums due or to become due from the company by way of fees or other remuneration for the services to such of the directors as were in default.

XIV. PROCEEDINGS AT GENERAL MEETINGS

Business which may not be transacted at the meeting

84.

No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business a statement of which has not been specified in the notice convening the meeting except as provided in the said Act.

85.

Quorum for meeting

- 1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 2) Save as herein otherwise provided, five members present in person or in case of members who are corporation through representatives appointed under section 187 of the Act together in the aggregate, holding not less than seventy five percent (75%) of the subscribed share capital of the company shall be a quorum.

If quorum not present, when Meeting to be dissolved and when to be adjourned

86.

If, within half an hour from the time appointed for holding the meeting a quorum of members is not present, the meeting if convened by or upon such requisition of members as aforesaid, shall be dissolved, but in any other case it shall stand adjourned to such other day and at such other time and place as the Directors may determine.

87. If at such adjourned meeting a quorum of members is not present with half an hour from the time appointed for holding the meeting, the members present, whatever their number, shall be a quorum, and may transact the business and decide upon all matters which could properly have been disposed of at the meeting from which the adjournment took place, if a quorum had been present threat. Adjourned meeting to transact business even if no quorum present
88. The chairman (if any) of the Board of Director shall, if willing preside as Chairman at every General Meeting, whether Annual or Extraordinary, but if there be no such Chairman, or in case of his absence or refusal, the Vice-chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at such meeting and if there be no such Vice-Chairman, or in case of his absence or refusal, one of the Directors (if any be present), shall be chosen to be chairman of the meeting. Chairman of directors or a director to be chairman of general meeting
89. No business shall be transacted at any General meeting except the election of Chairman, whilst the Chair is vacant. When chair is vacant business confined to election of chairman
90. The Chairman may, with the consent of a majority of the members personally present at any meeting, adjourn such meeting from time to time and from place to place in the city, town or village where the Registered Office of the Company be situated, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. A resolution passed at an adjourned meeting of the company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. Chairman with consent of members may adjourn meeting
91. Whenever any meeting is adjourned for thirty days or more notice of such adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of any adjourned meeting or of the business to be transacted at an adjourned meeting. Notice of adjournment
92. No resolution submitted to a meeting, unless proposed by the Chairman of the meeting shall be discussed or put to vote until the same has been proposed by a member or such representative present and entitled to vote on such resolution and seconded by another member or such representative present and entitled so to vote. Every resolution must be proposed and seconded
93. No resolution shall be deemed passed at a General Meeting unless approved by an affirmative vote of the members holding not less than 65% of the equity share entitled to vote on any resolution.
94. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confers a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the Resolution or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand. Demand for poll
95. A poll demanded on any question (other than the election of the

Time and
manner of
taking poll

Chairman or on a question of adjournment which shall be taken forthwith) shall be taken at such place at such time not being later than forty - eight hours from the time when the demand was made as the Chairman may direct Subject to the provisions of the Act the Chairman of the meeting shall have power to regulate the matter in which a poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Scrutineers at
poll

96.

Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineers arising from such removal of from any other cause of the two scrutineers appointed under this Article, one shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.

Demand for poll
not to prevent
transaction of
other business

97.

The demand for a poll shall not prevent the continuance of a meeting for the transacting of any business other than the question on which the poll has been demanded.

Report statements
registers to be laid
on the table

98.

Pursuant to the applicable provisions of the Act and these Articles, at every Annual General Meeting of the Company, there shall be laid before the meeting, a Balance Sheet of the Company together with all statements and reports required to be annexed or attached thereto, the register of directors' and managers' shareholding and the proxies.

XV. VOTES OF MEMBERS

Indebted
members not to
vote

99.

No member shall be entitled to exercise any voting right on any question either personally or by proxy or upon poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has or has exercised any right or lien.

Restrictions on
exercise of voting
right in other
cases to be void

100.

A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 99.

Number of votes
to which member
is entitled

101.

a) Subject and without prejudice to any special privileges or restrictions or conditions for the time being attached to or affecting the preference or other special classes of shares, if any, issued by and for the time being forming part of the capital of the Company, every member, entitled to vote under the provisions of these presents and not disqualified by these Articles shall on a show of hands have one vote and upon a poll every member present in person or proxy or agent duly authorised by a power of attorney or representative duly authorised and not disqualified as afore said shall have voting rights in proportion to his shares of the paid up capital of the Company subject however to any limits imposed by law. But no member shall have any voting right in respect of any moneys paid in advance as provided in Article 31.

b) No member not personally present shall be entitled to vote on a show of hands unless such members is a body corporate present by proxy

- or by a representative duly authorised under Section 187 of the Act in which case such proxy or representative may vote on a show of hands as if he were member of the Company. No voting by proxy on show of hands
102. On a poll taken at a meeting of the Company a member entitled to more than one vote, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses. A member or his proxy who votes shall be deemed to have used all his votes unless he expressly gives written notice to the contrary at the time he casts any votes. Right to use vote differently
103. Where there are any joint registered holders of a share, any one of such persons may vote at any meeting in respect of such share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting then one of the said persons so present whose name stands first on the register in respect of such shares shall alone be entitled to vote in respect thereof. Where there are several executors or administrators of the deceased member in whose sole name any shares stand, any one of such executors or administrators may vote in respect of such shares unless any other of such executors or administrators is present at the meeting at which such vote shall be exercised except with the unanimous consent of all the executors or administrators present. Joint holders voting
104. Any person entitled under transmission clause (Article 73) to transfer any shares shall not be entitled to be present or to vote at any meeting either personally or by proxy, in respect of such shares unless forty-eight hours at least before the time for holding the meeting or adjourned meeting, as the case may be at which the propose to be present and to vote he shall have satisfied the directors of his right to transfer such shares (as to which the opinion of the Directors shall be final) or unless the Directors shall have previously admitted his right to vote in respect thereof. Entitlement of person under transmission clause to vote
105. The instrument appointing a proxy shall be in writing and shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a body corporate, such instrument shall be under its seal or be signed by an officer or an attorney duly authorised by it or by the person authorised to act as the representative of such body corporate. Any instrument appointing a proxy to vote at a meeting shall be deemed to include the power to demand for a poll on behalf of the appointer. Instrument proxy to be in writing
106. a) No instrument of proxy shall be treated as valid and no person shall be allowed to vote or act as proxy at any meeting under an instrument of proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of authority shall have been deposited at the Registered Office of the Company at least forty-eight hours before the time appointed for holding the meeting, or adjourned meeting at which the person named in such instrument proposes to vote. An instrument appointing a proxy or an attorney permanently or for a certain period once registered with the Company need not be again registered before each successive meeting and shall be in force until the same shall be revoked. Instrument of proxy to be deposited at the registered office
- b) Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may by notice in writing addressed to the members or the attorney

- Production of original power of attorney or authority
- Custody of the instrument of appointment
- Vote for proxy how far valid
- Time for objection to vote
- Chairman sole judge of the validity of vote
- Equal rights of share holders
- Power of share holders to limit dividend
- Dividends in proportion to the amount paid up
- Capital advanced on interest not to earn dividends
- Interim dividend
- No member to receive dividends while indebted to the company
107. If any such instrument of appointment be confined to the subject of appointing an attorney or proxy or substitute it shall remain permanently or for such time as the Directors may determine in the custody of the Company and if embracing other objects a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.
108. A vote given in pursuance of an instrument of proxy shall be valid, notwithstanding the previous death of the principal or the revocation of proxy or any power of attorney under which such proxy was signed or the transfer of the shares in respect of which the vote is given, provided no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the vote is given.
109. No objection shall be made to the validity of any vote, except at the meeting or adjourned meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, and not disallowed at such meeting or poll, shall be deemed valid for all purposes of such meeting or poll whatsoever.
110. The Chairman of any meeting shall be the sole Judge of the validity of every vote tendered at such meeting and the Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
- XVI. DIVIDENDS AND CAPITALIZATION**
111. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the rights and be subject to the same liabilities as all other shareholders of the same class.
112. No larger dividend shall be declared than is recommended by the directors, but the Company in General Meeting may declare a smaller dividend.
113. a) unless the Company otherwise resolves, dividends shall be paid in proportion to the amount paid up or credited as paid up on some shares than on others. Provided always that any capital paid up on share during the period in respect of which a dividend is declared shall unless otherwise resolved only entitle the holder of such share to a proportionate amount of such dividend from the date of payment.
- b) Capital paid up in advance of calls shall not confer a right to dividend or to participate in profits.
114. The Directors may, from time to time declare and pay to the members such interim dividend as in their judgement the position of the Company justifies.
115. No member shall be entitled to receive payment of any dividend in respect of any share or shares on which the company has a lien, or whilst any amount due or owing from time to time to the Company, either along or jointly with any other person or persons in respect of such share or shares or on any other account whatsoever, remains unpaid, and the Directors may retain, apply and adjust such dividend in or toward satisfaction of all debts, liabilities or engagements in respect of which the lien exists and of

all such money due as aforesaid.

116. Subject to a contract to the contrary (forward to the Company) transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer. Transfer must be registered to pass right to dividend
117. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his bankers and in case a share warrant has been issued in respect of the share to the bearer of the share warrant or to his bankers. Dividend to be paid to registered holder
118. The Directors may, if they think fit, call upon the members, when applying for dividends, to produce their share certificates to such person or persons appointed by them in that behalf. Members to produce share certificate
119. No unclaimed dividend to be forfeited unless the claim is barred by law. Unclaimed dividends
Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, and so that the call be made payable at the time as the dividend, and the dividend may if so resolved by the Company in General Meeting be set off against the calls. Dividends and call together set-off allowed
120. A General Meeting may by special resolution on recommendation of the Board direct capitalization of the whole or any part of the Reserve Fund or other funds of the Company including the moneys in the share Premium Account and the Capital Redemption Reserve Funds or the premiums received on the issue of any shares, debentures or debenture-stock of the Company and that such sum be accordingly set free for the purpose, (1) by the issue and distribution, among the holders of the share of the Company or any of them, in accordance with their respective rights and interests and in proportion to the amounts paid or credited as paid-up thereof, of paid-up shares, debentures, debenture-stock, bonds or other obligations of the Company, or (2) by crediting any shares of the Company which may have been issued and are not fully paid-up, in proportion to the amounts paid or credited as paid-up thereon respectively, with the whole or any part of the same. The directors shall give effect to such resolution and apply such portion of the profits or Reserve Fund or premiums or other Funds as may be required for the purpose of making payment in full at par for the shares, debentures; debenture-stock, bonds or other obligations of the Company so distributed or (as the case may be) for the purpose of paying, in whole or in part the amount remaining unpaid on the equity shares which may have been issued and are not fully paid-up, provided that no such distribution or payment shall be made unless recommended by the Board. Capitalisation
Provided, however, that the moneys in the Share Premium account and the Capital Reserve Fund or the premium received on the issue of any shares, debentures, or debenture-stock of the Company shall only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares. For the purposes aforesaid the Board shall make all appropriations and applications of the moneys resolved to be capitalized as aforesaid and allotment and issue of fully paid shares or debentures, if any. Where any difficulty arises in respect of such distribution or payment, and in particular they may issue fractional certificates and generally make such arrangements for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think, fit and they make cash payments to any holders of shares on the footing of the value so fixed in order to

adjust rights and may vest any shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trust for adjusting such rights as may seem expedient to the Board in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalization may be affected by the distribution of further shares in respect of the other fully paid shares, and by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid shares, and the partly paid shares the sums so applied in the payment of some further shares and in the extinguishment or diminution of the liability of the partly paid shares shall be so applied pro rata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively. When deemed requisite, a proper contract shall be filed in accordance with the said Act, and the Board may appoint any person to sign such contract on behalf of the holders of the shares of the Company which shall have been issued prior to such capitalization and such appointment shall be effective.

For the purposes above set out the Company may apply the Share Premium Account as per the provisions of the said Act and the Capital Redemption Reserve Fund subject to the provisions of the Act.

XVII. ACCOUNTS

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| Accounts | 121. | <p>1) The Directors shall cause true and fair accounts to be kept of all sums of money received and expended by these Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchases of goods by the Company and of the assets, credits and liabilities of the Company.</p> <p>2) If the Company shall have a branch office whether in or outside India proper books of account relating to the transactions affected at that office shall be kept at that office and proper summarised returns made upto date of intervals of not more than three months shall be sent by the branch office to the Company at its Registered office or other place in India as the Board thinks fit where the main books of the Company are kept.</p> <p>3) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office as the case may be with respect to the matters aforesaid, and explain its transactions.</p> <p>4) The books of account shall be open to inspection during business hours by any Director the Registrar or any officer of the Government authorised by the Central Government in this behalf as provided in Section 209 of the Act.</p> |
| Books of Accounts to be kept | | |
| Where books of account to be kept | 122. | <p>The books of account shall be kept at the Registered office of the Company provided that all or any of the books of accounts aforesaid may be kept at such other place in India as Board of Directors may decide and when the Board of Directors so decide the Company shall within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.</p> |
| Inspection by members of accounts and books of the company | 123. | <p>The Directors 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 and documents of the Company or any of them shall be open to the Inspection of members not being Directors and no</p> |

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 Directors or by the Company in General Meeting.

124. The Board of Directors shall lay each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance sheet made up as at the end of the financial year which shall be a day which shall not precede the day of the Meeting by more than six months or such higher period as may from time to time be provided in the Act or such extended period as shall have been granted by the Registrar under the provisions of the Act. Statement to be furnished
125. Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company shall be in the Forms set out in Parts I and II respectively of Schedule VI of the act or as near thereto as circumstances admit. Balance sheet and Profit and Loss Account
126. 1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed by its Manager or Secretary, if any, and by not less than two Directors of the Company one of whom shall be Managing Director where there is one. Authentication Balance Sheet and Profit & Loss Account
- 2) Provided that when only one Director is for the time being in India the Balance Sheet and Profit & Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit & Loss Account a statement signed by him explaining the reason for noncompliance with the provisions of sub-clause(I)
- 3) The Balance Sheet and the Profit & Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the Auditors for their report thereon. Profit & loss A/C to be annexed and Auditors report to be attached to the Balance Sheet
127. The Profit & Loss Account shall be annexed to the Balance Sheet and the Auditor's Report shall be attached thereto. Boards report to be attached to Balance Sheet
128. 1) Every Balance Sheet laid before Company in General Meeting shall have attached to it a report by the Board of Directors with respect to (a) the state of the Company's affairs (b) the amounts, if any, which it proposes to carry to any Reserve in such Balance Sheet, (c) the amount, if any, which it recommends to be paid by way of dividend and (d) material changes and commitments if any affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the report.
- 2) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members, and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest:
- 3) The Board shall also give the fullest information and explanations in its report or in the cases falling under the provisions to Section 222 of the Act in an addendum to that report on every reservation,

qualification or adverse remark contained in the Auditor's Report.

- 4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board and where he is not so authorised shall be signed by any two Directors one of whom shall be a Managing Director if there is one.
- 5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (1) to (3) of this Article are complied with.

129. The Company shall comply with the requirements of Section 219 of the Act.

XVIII. AUDIT

Rights of
Members of
copies of
Balance Sheet
and Auditors
report

130. a) The correctness of the Profit and Loss Account and Balance Sheet shall be ascertained by one or more Auditor or Auditors.
- b) Where the Company has a branch office, the accounts of that Office shall unless the Company in General Meeting decides otherwise, be audited by a person qualified for appointment as Auditor of the Company under the said Act or where the Branch Office is situated in country outside India, either by a person qualified to audit the accounts of the branch offices in accordance with the laws of that country.

Appointment of
Auditor

131. 1) The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.
- 2) At any General Meeting, a retiring Auditor by whatsoever authority appointed, shall be reappointed unless:
- a) he is not qualified for re-appointment.
 - b) he has given the Company notice in writing of his unwillingness to be re-appointed.
 - c) a resolution has been passed at that meeting appointing somebody duly qualified instead of him or providing expressly that he shall not be reappointed; or
 - d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be the resolution cannot be proceeded with.
- 3) Where at any Annual General Meeting no Auditors are appointed, the Central Government may appoint a person to fill the vacancy. The company shall within seven days of the Central Government's power under this clause becoming exercisable, give notice of that fact to the Central Government.

- 4) a) The Board may fill any casual vacancy in the office of any Auditor; but while any such vacancy continues the remaining Auditor or Auditors, if any, may act, provided that where such vacancy is caused by the resignation of an Auditor, the Vacancy shall only be filled by the Company in General Meeting;
 - b) Any Auditor appointed in a casual vacancy shall hold office until the conclusion of the next Annual General Meeting.
 - 5) Any Auditor may be removed from office before the expiry of his own term only by a Special Resolution of the Company in General Meeting after obtaining the previous approval of the Central Government in that behalf.
 - 6) The remuneration of the Auditors of the Company: Auditors remuneration
 - a) In the case of an Auditor appointed by the Board or the Central Government, may be fixed by the Board or the Central Government as the case may be, and
 - b) Subject to sub-clause (a) shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine, for the purposes of this sub-clause any sums paid by the Company in respect of the Auditors' expense shall not be deemed to be included in the expression 'remuneration'.
132. 1) Special Notice as provided by the said Act shall be required for a resolution at an Annual General Meeting appointing an Auditor, a person other than a retiring Auditor, or providing expressly that a retiring Auditor shall not be reappointed. Special Notice regarding auditors
- 2) On receipt of notice of such a resolution the Company shall duly comply with the provisions of the said Act.
133. 1) An Auditor must hold the necessary qualifications and be qualified for appointment as provided in the said Act. Qualifications and disqualifications of Auditors
- 2) If an Auditor become subject, after his appointment, to any of the disqualifications specified in the said Act he shall be deemed to have vacated his office as such.
134. 1) Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company, whether kept at the head office of the Company or elsewhere and shall be entitled to require from the officers of the Company such information and explanations as the Auditor may think necessary for the performance of his duties as Auditors. Power and right of Auditors
- 2) Where the accounts of any branch office are not audited, the Company's Auditor shall be entitled to visit the branch office, if he deems it necessary to do so for the performance of his duties as Auditor and shall have a right of access at all times to the books and accounts and vouchers of the Company maintained at the branch office.

Right of Auditors
to attend General
Meeting

- 3) All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company, and the Auditor shall be entitled to have notice of and any General Meeting and to be heard at attend any General Meeting which he attends on any part of the business which concerns him as Auditors.

Duties of Auditors 135.

- 1) The Auditor shall make a Report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit & Loss Account which are laid before the Company in General Meeting during his tenure of office. Such report shall comply with the provisions of the said Act.
- 2) Such report and any other documents of the Company required by law to be signed or authenticated by the Auditors shall be signed or authenticated in the manner provided by the said Act.

Auditing and
inspection of
Auditors report

136. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

XIX. DIRECTORS, THEIR QUALIFICATIONS AND REMUNERATION

Number of
directors

137. The number of Directors in the Company shall not be less than three or more than twenty. The First Directors of the Company were:

I) MR. S.R. VAKIL

II) BRIG. D.P. UPASANI

Debenture
director

138. Any, Trust Deed for securing debentures or debenture-stock may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture-stock of some person to be a Director of the Company and may empower such trustees or holders of debenture or debenture-stock from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the Debenture Director and the term 'Debenture Director' means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or subject to the provision of the Act be removed by the Company.

The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provision herein contained.

Special Director 139.

- Any deed for securing loans for the Company from financial corporations may if so arranged provide for the appointment from time to time by the lending financial corporation of some person or persons to be a Director or Directors of the Company and may empower such lending financial corporations from time to time to remove and reappoint any Director so appointed. A Director appointed under this Article is herein referred to as 'special director' and the term special Director means any director for the time being in office under this article. The Special Director shall not be liable to retire by rotation or to removed by the Company. The deed aforesaid may contain ancillary

provisions as may be arranged between the Company and the lending corporation and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

140. The directors need not hold any qualification shares. Qualification of Directors
141. The maximum remuneration of every Director (inclusive of Alternate Director, Special Director and the Debenture director if any) shall be such as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of directors attended by him. Sitting fees
142. a) The Directors shall be paid such further remuneration (if any) as may be fixed by the director from time to time and such further remuneration shall be divided among the Directors in such proportion and manner as the directors may from time to time agree among themselves and subject to provisions of the companies act, 1956. Further remuneration
- b) If any Director being willing shall be called upon to go or reside away from his usual place of residence on the company's business, or otherwise perform extra services (which expression shall include the work done by a director in signing certificates of shares of debentures issued by the Company, or work done by him as a member of the Committee appointed by the Directors in terms of these Articles) the Directors may arrange with such Director for such special remuneration for such services, either by way of salary or commissions, or by a percentage of profits or the payment of a fixed sum of money as may be determined by the Directors and such remuneration may be either in addition or in substitution for his remuneration above provided. Special remuneration of Directors
- c) The Board of Directors may allow and pay to any Director who is not a bonafide resident of the place where the meetings of the Board are held and who shall come to that place for the purpose of attending a meeting, such sum as the Board may consider fair compensation for his travelling boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director shall go or reside out of his usual place of residence for the company's business, he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company. Travelling expenses incurred by Directors not a bonafide resident of the place where meetings are held
143. The directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles not exceeding Rs. 250/- per meeting attended by him in addition to the remuneration allowed under Article 142 and may pay the same. Remuneration of committee

XX.APPOINTMENT OF DIRECTOR

144. The director shall have power at any time and from time to time, to appoint one or more additional Directors provided that the total number of Directors shall not thereby exceed the maximum number fixed by Article 137. Each such additional Director shall hold office only upto the date of the next following Annual Meeting but shall be eligible for appointment by the Company at that Meeting as a Director. Additional directors

Filling up of
casual
vacancies

145.

- 1) If the office of any Director appointed by the company in General Meeting is vacated before his term of office expires in the normal course the resulting casual vacancy may be filled by the Board of Directors at the meeting of the Board.
- 2) Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

Appointment of
alternate
directors

146.

The provisions of the Act shall apply and the Board of Directors may appoint an Alternate Director to act for a Director (hereinafter called the Original Director) during his absence for a period of not less than three months from the State in which the meetings are ordinarily held,

Directors may act
notwithstanding
vacancies

147.

The continuing Directors may act notwithstanding any vacancy in their body, but if any so long as their number is reduced below two, the continuing Directors may act for the purpose of increasing the number of Directors to the said number, or of summoning a General Meeting of the Company but for no other purpose.

Right to appoint
directors

148.

HONEYWELL has the right by means of a notice in writing addressed to the Company by the President, Vice-President, Director or Secretary of **HONEYWELL**, to nominate all the Directors on the Board of the Company and to withdraw the nomination of such persons from office and on a vacancy being caused in such office from any cause whatsoever whether by resignation, retirement, death, removal or otherwise, of any such person so nominated to nominate and effectuate another to fill such vacancy.

(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)

XXI. PROCEEDINGS OF DIRECTORS

Meetings of
directors

149.

A meeting of the Board of Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

Directors to
regulate their
Business

150.

The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings and proceedings as they think fit.

Notice of meeting

151.

Notice of every meeting of the Board of Directors of the Company shall be given in writing to every Director, at his usual address whether within or outside India unless, in respect of any Director, he shall waive this requirement.

Quorum

152.

Subject to Section 287 of the Act, quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher.

(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)

Adjournment of
Meeting for want
quorum

153.

If a meeting of the Board cannot be held for want of a quorum then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.

154. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by law or under the Articles and regulations for the time being vested in or exercisable by the Directors generally. Power of quorum
155. A Director may at any time an upon the requisition of Director shall convene meeting of the Directors. When meeeting to be convened
156. The Chairman of the Board shall be appointed by **HONEYWELL** by means of a notice in writing to the Company and it will be also entitled by a similar notice in writing to withdraw the nomination of the Director so appointed from the office of Chairman. The Chairman of the Board shall be entitled to take the Chair at every meeting of the Board. If at any meeting of the Board, the Chairman shall not be present, the Directors present may choose one of their members to be the Chairman of the meeting. The Chairman of the Board shall be entitled to a casting or second vote. Chairman
(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)
157. All meetings of the Directors shall be presided over by the Chairman if present but if at any meeting of Directors, the Chairman be not present at the time appointed for holding the same, the Vice-Chairman, in that case if present, shall preside and if he be not present at such time then in that case the Directors shall choose one of the Directors then present to preside at the meeting. Who do preside over board meeting
158. Subject to the provisions of Article 165 hereof, questions arising at any meeting of Directors shall be decided by a majority of votes, and in case of an equality of votes the Chairman of the meeting (whether the Chairman or Vice Chairman appointed by virtue of these Articles or the Director presiding at such meeting) shall have a second or casting vote. Questions at Board Meeting how decided
159. Subject to the restrictions contained in Section 292 of the Act the Board may delegate any of their powers to Committees of the Board consisting of such member or members of its body as it thinks fit. It may from time to time revoke and discharge any such Committee of the Board either wholly or in part and either as to persons or purpose but every such Committee of the Board so formed shall be in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as-if done by the Board. Questions arising at the meeting of the Committee of Directors shall be declared by a majority of the votes. Directors may appoint committes
(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)
160. In case of resolution of the Board or any committee thereof to be passed by circulation the resolution must be circulated to all Directors nominated by **HONEYWELL** at their respective addresses registered Resolution by circular

with the Company and no such resolution shall be deemed to be approved by the Board unless at least one Director nominated by HONEYWELL has cast an affirmative vote.

Validity of acts of directors 161.

All acts done by a person as a Director shall be valid, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the said Act or in these Articles provided that this Article shall not give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

XXII. POWERS AND DUTIES OF DIRECTORS

Business of the company to be managed by Directors 162.

The Business of the Company shall be managed by the Directors who may exercise all such powers and do all such acts and things as the Company is authorised to exercise and do provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or by the Memorandum or by these Articles to be exercised or done by the Company in General Meeting and subject also to such regulations as may be prescribed by the Company in a General Meeting

But no regulation made by the Company in a General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

Approval of the Board of certain activities 163.

The following powers shall be exercised by the Board or the Committee of the Board if such powers are delegated under provisions of these Articles by means of a resolution:

- a) Any investment in any other firm or entity or any action by the Company as a shareholder or partner in any other entity such as the election or appointment of directors and auditors thereof.
- b) The annual approval of the capital plan, including financing and business plans and budgets, including the remuneration of Directors.
- c) Any issuance of new shares.
- d) Any acquisition or disposition of fixed assets amounting to 10% or more of the total capital of the Company or U.S. \$ 5,00,000, whichever is larger.
- e) Change of name of the Company.
- f) Materially changing or deviating from the objects or activities of the Company and any substantial expansion thereof.
- g) Otherwise than in the ordinary course of business, selling, leasing, charging or dealing with the whole or any part of the Company's undertaking, property or assets in excess of 10% of the total or U.S. \$ 5,00,000, whichever is larger.
- h) Fixing or increasing salaries or other remuneration of employees and officers of the Company whose total yearly remuneration is Rs.25,00,000/- or more.

- i) Recommending dividends or any other distribution to the shareholders.
- j) Licensing or disposing of patents, trademarks or industrial property rights owned or licenced to the Company.
- k) Entering into any agreement for exportation or licensing of the Company's products, know-how or technology.

(As amended as per the special Resolution passed at the EGM of the co. held on 9/12/04)

- 164.
- 1) The Directors may from time, to time at their discretion raise or borrow, or secure the repayment of any sum or sums of money for the purpose of the Company from any person, firm or companies, expressly including any member or Director of this Company. Any such moneys may be raised and the payment or repayment of such moneys may be secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and in particular by promissory notes or by opening current accounts or by receiving deposits and advances at interest, with or without security or the issue of debentures or debenture stock of the Company charges upon all or any part of the property of the company (both present and future) including its uncalled capital for the time being or by mortgaging charging or pledging any lands, buildings, machinery plant goods or other property and & securities of the Company or by such other means as to them may seem expedient. Power to borrow
 - 2) Any bonds, debentures, debenture stock or other securities issued or to be issued by the Company shall be under the control of the Directors may be who may issue them upon such terms borrowed and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. Condition on which money may be borrowed
 - 3) Any such debenture, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
 - 4) a) Any such debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise (and on consent of the Company in General Meeting) that they may have a right to allotment of or be convertible into shares of any denomination and with any special privileges and conditions as to redemption (or being redeemable), surrender, drawings, re-issue, attending at General Meeting of the Company appointment of Directors and otherwise, provided that no debentures, debenture-stock, bonds, or other securities may be issued carrying voting rights.
 - b) The company shall have power to reissue redeemed debentures in certain cases in accordance with the Act.
 - c) Payments of certain debt out of assets subject to floating charge in priority to claim under the charge may be made in accordance with the provisions of the Act.
 - d) Certain charges mentioned in the Act shall be void against the Liquidator or Creditors unless registered as provided in the Act.

- e) The term 'charge' shall include mortgage in these Articles.
- f) A contract with Company to take up and pay for any debentures of the Company may be enforced by a decree for specific performance.
- g) The Company shall, within three months after the allotment of any of its shares, debentures or debenture-stock and within one month after the application for the registration of the transfer of any such shares, debentures or debenture-stock have completed and have ready or delivery the certificates of all shares, the debentures and the certificate of all debenture-stock allotted or transferred unless the conditions of issue of the shares debentures or debenture stock otherwise provide.

The expression 'transfer' for the purpose of this sub-clause means a transfer duly stamped and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

- h) 1) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holder of any such debenture or any member of the Company at his request and within seven days of the making thereof on payment:
 - i) In case of a printed Trust Deed, of the sum of One Rupee, and
 - ii) In the case of Trust Deed which has not been printed, of thirtyseven paise for every one hundred words or fractional part thereof required to be copied.
- 2) The Court may also, by order, direct that the copy required shall forthwith be sent to the person requiring it.
- 3) The Trust Deed referred to in sub-clause (1) shall also be open to inspection by any member or debenture-holder of the Company in the same manner to the same extent and on payment of the same fees as if it were the register of members of the Company.

Limitation of time for
issue of certification

Inspection of Trust
Deeds

Mortgage of
uncalled capital

165.

If any uncalled capital of the Company is included in or charges by any mortgage or other security the Directors may, by instruments under the Company's Seal, authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls shall mutatis mutandis apply to calls under such authority and such authority may be made exercisable either to the exclusion of the Directors power or otherwise and shall be assignable if expressed so to be.

Indemnity may be
given

166.

If the Directors or any of them or, any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage or charge or security over or affecting the whole or any part of the assets of the Company by way of the indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

XXIII. RETIREMENT AND ROTATION OF DIRECTORS

167.
 - 1) Not less than two-thirds of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the act and these Articles be appointed by the Company in General Meeting. Retirement by rotation
 - 2) The remaining Directors shall be appointed in accordance with the provisions of these Articles.
168.
 - 1) At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from the office. Directors to retire annually how determined
 - 2) The Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot retiring Director shall be eligible for reappointment. Ascertainment of directors retiring by rotation eligible for reappointment
 - 3) Subject to the provisions of Section 261 and other applicable provisions of the Act and of these Articles at the Annual General Meeting at which a Director retires in manner aforesaid the Company may fill up vacancy by appointing the retiring Director or some other person thereto. Company to fill up vacancy
 - 4)
 - a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place. Provision in default of appointment
 - b) If at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to filled the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
 - i) at the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
 - ii) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;
 - iii) he is not qualified or is disqualified for appointment;
 - iv) a resolution whether special or ordinary is required for the appointment or re-appointment by virtue of any provisions of the Act; or
 - v) Article 177 or Section 263 of the Act is applicable to the case.

Notice of
candidature for
office of director

169. Subject to the provisions of the Act, and these Articles any person who is not a retiring Director shall be eligible, for appointment to the office of Director at any General Meeting if he or some member intending to propose him has, not less than fourteen days before the meeting left at the registered office of the Company a notice in writing under his hand signifying candidature for the office of Director or the intention of such member to propose him as candidate for that office as the case may be.

Individual
resolution for
directors
appointment

170. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed no provision for the automatic reappointment of Director retiring by rotation by virtue of these Articles or the Act in default or another appointment shall apply.

XXIV REMOVAL OF DIRECTORS

Removal of
directors

171. 1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) by ordinary resolution remove any Director (not being the special Director and / or Debenture Director) before the expiry of his period of office.
- 2) Special notice as provided by Section 190 of the Act shall be given on any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.
- 3) On receipt of notice of a resolution to remove a Director under this Article the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- 4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and request their notification to members of the Company, the Company shall unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the company state the fact of the representations have been made and (b) send a copy of the representations, and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may without prejudice to his right to be heard orally, require that the representations need not be sent out or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this subclause are being abused to secure needless publicity for defamatory matter.
- 5) A vacancy created by the removal of a Director under this Article may, if he has been appointed by the Company in General Meeting or by the Board in pursuance of Articles 145, 146 & 147 be filled by the appointment of another Director in his stead by the meeting at which he is removed;

Provided special notice of the intended appointment has been given under sub-clause (2) hereof A Director so appointed shall hold office until the date upon which his predecessor would have held office if he had not been removed as aforesaid.

- 6) If the vacancy is not filled under sub-clause (5), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable, of Article 145 or Section 262 of the Act, and all the provisions of that Section shall apply accordingly.
- 7) A Director who was removed from office under this Article shall not be reappointed as a Director by the Board of Directors.
- 8) Nothing contained in this Article shall be taken;
 - a) as depriving a person removed thereunder of any compensation or damage payable to him in respect of the termination of his appointment as director or of any appointment terminating with that as Director or
 - b) as derogating from any power to remove a Director which may exist apart from this Article.

XXV. POWERS OF DIRECTORS

172. 1) Subject to the provisions of Sections 292, 293, 297, 299 and 370 of the said Act and to the provisions of these Articles, the Board of Directors of the company shall be entitled to exercise all such rights, and generally do all such acts and things as are or shall be, by the said Act and the Memorandum of Association and these presents, directed or authorised to be exercised, given made or done by the Company and are not thereby or hereby expressly directed or required to be exercised, given made or done by the Company in General Meeting but subject to such regulations (if any) being not inconsistent with the said provisions as from time to time may be prescribed by the Company in general Meeting provided that no regulation so made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if the regulation had not been so made.
- 2) The Board shall exercise the following powers on behalf of the Company by means of resolutions passed at meeting of the Board:
- a) the power to make calls on share holders in respect of money unpaid on their shares;
 - b) the power to issue debentures;
 - c) the power to borrow moneys otherwise than on debentures;
 - d) the power to invest the funds of the company; and
 - e) the power to make loans:
- 3) Save as provided by the said Act and by these Articles and subject to the restrictions imposed by Section 292 of the said Act, the Directors may delegate all or any power by the said Act or by the Memorandum or Association or by these presents reposed in them.

Business of
company to be
managed by
Director

Specific powers
to directors

XXVI. MANAGING OR WHOLE-TIME DIRECTOR(S)

Power to
appoint
Managing of
whole time
director(s)

173. Subject to the provisions of the Act, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be joint Managing Director) or Whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

What provisions
they shall be
subject to

174. Subject to the provisions of the Act and these Articles a Managing Director or a Whole time Director shall not, while he continues to hold that office be subject to retirement by rotation under section 255 and 256 of the Act, but he shall subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director if he ceases to hold the office of Director from any cause provided that at any time the number of Directors (including the Managing Director or Whole Time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of Directors for the time being then such Managing Director or Managing Directors or Whole Time Director or Whole-time Directors, as the Directors shall from time to time select shall be liable to retirement by rotation in accordance with the above mentioned sections of the Act, to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

Remuneration of
managing or
whole time
director (s)

175. The remuneration of a Managing Director or Whole Time Director (subject to Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors subject to the approval of the Company in General Meeting and maybe by way of fixed salary or commission on profits of the Company, or by participation in such profits, or by any or all of those modes. A Managing Director or Whole-time Director, shall not receive or be paid any commission on sales or purchases made by or on behalf of the Company.

Power and duties
of Managing or
whole time
director (s)

176. Subject to the superintendence, control and direction of the Board of Directors, the day-to-day management of the Company shall be in the hands of the Director or Directors appointed under Article 175 with power to the Directors to distribute such day-do-day management functions among such Directors, if more than one in any manner as directed by the Board or to delegate such power of distribution to any one of such Directors. The Directors may from time to time entrust to and confer upon a Managing Director or Whole time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit and may confer such power for much time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion

of or in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke withdraw alter or vary all or any of such powers.

XXVII. SECRETARY

177. a) The Directors may from time to time appoint and at their discretion remove a person (hereinafter called 'the Secretary') to keep the Registers required to be kept by the Company, to perform any other functions which by the said Act or by these Articles are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to the Secretary by the Directors. Secretary
- b) The Directors may at any time appoint a temporary substitute for the Secretary who shall for the purpose of these Articles be deemed to be the Secretary.

XXVIII. INDEMNITY TO AND PROTECTION OF DIRECTORS AND OFFICERS

178. Every officer of the Company as defined by Section 2 (30) of the said Act or any person (whether an officer of the Company or not) employed by the company as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, or in connection with any application under Section 633 of the said Act in which relief is granted to him by the Court. Indemnity
179. Subject to the provisions of Section 201 of the said Act, every Director of the Company Manager, Secretary, Trustee, Auditor and other Officer or Servant of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all losses, costs and expenses which such person, officer, or servant may incur to become liable to by reason of any contract entered into or any act or thing done by him as such officer or servant, or in any way or about the discharge of his duties, including travelling expenses. Indemnity to directors and other officers
180. Subject to the provisions of Section 201 of the said Act, no Director of the Company, Manager, Secretary, Trustee, Auditor and other Officer or Servant of the Company shall be liable for acts, receipts, neglects, or default of a other Director or Officer or Servant or for joining in any receipts or other act for the sake of conformity merely or for any loss or expenses happening to the Company through the insufficiency or deficiency in point of titles or value of any property acquired by the order of the Directors for or on behalf of the Company or mortgage to the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of or for any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to the execution or performance of the duties of his office or in relation thereto, unless the same happen through his own dishonesty. Directors and other officers not responsible for acts of others
181. Every Director, Managing Director, Agent, Secretary and other Officer

Idemnity to
Directors against
liability

for the time being of the Company shall be indemnified out of the assets of the company against all liability incurred by him in defending any proceedings, civil, criminal, municipal, revenue, customs, Central Excise, adjudication proceedings under the Foreign Exchange Regulation Act, Income Tax Act or any tribunals or any action under the Monopolies and Restrictive Trade Practices Act, or any other law for the time being in force, or Commission of Inquiry or in connection with any application under section 633 of the Act.

Common seal

182. The Directors shall provide a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors or a Committee of the Directors previously given and in presence of at least one Director who shall sign every instrument to which the Seal is affixed and every such instrument shall be countersigned by such officer or person as the Directors may from time to time resolve provided always that certificates of title to the shares shall be issued under the Seal of the Company which shall be affixed and signed as stated under Article 17.

Seal abroad and
branch registers

183. The Company may exercise, the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

XXIX. NOTICES AND SERVICE OF DOCUMENTS

Members to
notify address
for registration

184. a) It shall be imperative on every member to notify to the Company for registration his place of address in India and if he has no registered address within India to supply the Company an address within India for giving of notices to him
- b) A member who shall change his name or address, or who being a female, shall marry, shall notify such change of name or address to the Company.

XXX. SECRECY CLAUSE

Secrecy
clause

185. No member shall be entitled to visit any premises of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's working, trading or any matter which is or may be in the nature of secret, mystery of trade or secret process or other confidential information which may relate to the conduct of the business of the Company, and which in the opinion of the Directors, it will be inexpedient in the interests of the members of the Company to communicate to the public.

XXXI. WINDING UP

Distribution of
assets

186. If upon the winding up of the Company, the surplus assets shall be more than sufficient to repay the whole of the paid-up capital, the excess shall be distributed amongst the members in proportion to the capital paid or which ought to have been paid on the shares at the commencement of the winding-up hold by them respectively, other than the amounts paid in advance of calls. If the surplus assets shall be insufficient to repay the whole of the paid-up capital, such surplus assets shall be distributed to that as nearly as may be the losses shall be borne by the members in

proportion to 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, other than the amounts paid by them in advance of calls.

But this Article is without prejudice to the rights of the holders of any shares issued upon special terms and conditions and shall not be construed so as to or be deemed to confer upon them any rights greater than those conferred by the terms and conditions of issue.

187. Any such Liquidator may irrespective of the power conferred upon him by the said Act, and as an additional power conferring a general or special authority, sell the undertaking of the Company or the whole or any part of its assets for shares fully or partly paid up or the obligations of or other interest in any other company and may by contract of sale agree for the allotment to the members directly to the proceeds of sale in proportion to their respective interests in the Company and in case the shares of this Company shall be of different classes, may arrange for the allotment in respect of preference shares of the Company of obligations of the purchasing company with preference or priority over or with a larger amount paid up than the shares allotted in respect of equity shares to this Company, and may further by the contract, limit a time at the expiration of which shares, obligations or other interests not accepted or required to be sold, shall be deemed to have been refused and be at the disposal of the Liquidator.

Liquidator may
sell the
undertaking

We, the several persons, whose names, addresses and occupations are hereunder subscribed below, are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite to our respective names:

Name, address description and occupation of each subscriber	Number of Equity shares taken by Subscriber	Signature of subscriber	Signature of witness and his name, address description and occupation
Shiavax Ratanshaw Vakil S/o Ratanhaw Koyaji Vakil Address: Bombay House Sir Homi Mody Street Bombay, Occupation: Advocate and Notary	10 (Ten) Equity	Sd/-	
Brigadier (Retd) Bhaskar Purshottam Upasani S/o Purushottam Anant Upasani Address: Hollan House, Annexe 11-c, shahid Bhagatsingh Marg, Bombay - 400039 Occupation : Company Executive	10 (Ten) Equity	Sd/-	Sd/- Miss Roshan Minocher Master Address: Bombay House, 24, Homi Modi Street, Bombay - 400023 Advocate Assistant
Total	20 (Twenty) Equity		

Dated this 14th day of December, 1983