

SUSTAINABILITY



DIGITALIZATION



GROWTH



HONEYWELL **AUTOMATION INDIA** **LIMITED**

Annual Report FY 2022-23

Honeywell

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Registrar & Transfer Agent

TSR Consultants Private Limited
(Previously TSR Darashaw
Consultants Private Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli West, Mumbai 400083
Email: csg-unit@tcplindia.co.in
Website: <https://www.tcplindia.co.in>

Registered Office

56 & 57, Hadapsar Industrial Estate,
Pune – 411 013, Maharashtra
CIN: L29299PN1984PLC017951
Tel: +91 20 7114 8888
Email: HAIL.InvestorServices@Honeywell.com
Website: <https://www.honeywell.com/in/en/hail>

Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants

Bankers

Citibank N. A.

FROM THE CHAIRMAN'S DESK

Dear Shareholders,

I am delighted to address you today as the Chairman of your Company and present to you the 39th Annual Report for the financial year 2022-23. I am thankful to you for your continued trust and confidence in your Company's capabilities in its continuous journey and growth.

In the last financial year, India has emerged as the most resilient and one of the fastest growing economies in the world despite significant challenges in the global environment – including continuing disruptions of supply chain following the rise in geopolitical tensions, the synchronized tightening of global monetary policies and inflationary pressures. India's economy bounced back after the pandemic in FY 2021-22 with the GDP growing 7.2% in FY 2022-23. The Government of India continues to strengthen key sectors of the Indian economy with capex and policy initiatives to drive long-term sustainable growth. The fundamentals of the Indian economy remain strong.

Your Company is committed to leading energy transition and shaping a sustainable tomorrow. Honeywell Automation India Limited is really dedicated to playing a lead role in the country's transformation to a sustainable future and is well on its way to delivering on its commitment to make all its facilities and operations carbon neutral by 2035.

Another key focus area for your Company is digital transformation. Your Company has a long experience in process control, cybersecurity and managed performance and is geared to cater to the requirement of its stakeholders and help them optimize operations, provide remote visibility and drive safety, reliability and efficiency. Through the integration of sustainability and industrial digitalization into its core business strategy, your Company aims to create long-term value for all shareholders.

Your Company's CSR activities, environmental initiatives and ethical corporate governance are focused on fulfilling our environmental, social and governance (ESG) responsibilities. I am proud of the progress your Company has made so far in providing sustainable solutions for all stakeholders around healthcare, education, infrastructure and community development. Your Company will continue to work further and make further impact to its people, families and the communities it serves.

Your Company has consistently invested in state-of-the-art facilities, cutting-edge technologies and highly skilled personnel. This has enabled it to deliver superior quality products and services to customers, meet international standards and surpass expectations. The industries which your Company serve includes process solutions, building solutions, IoT, global manufacturing and engineering services and the Company is well positioned for continuing global growth.

On behalf of the Management and Board of Directors of Honeywell Automation India Limited, I want to thank you for your trust, confidence and support. We look forward to your continued support as we drive the Company forward for future growth.

Dr. Ganesh Natarajan

Independent Director and
Chairman (Non-Executive) – Board



“
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and industrial
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”

FROM THE MANAGING DIRECTOR'S DESK

Dear Shareholders,

FY 2022-23 was a strong year for your Company. Together, we posted highest ever revenue from company operations at ₹3,448 crore, registering year-on-year growth of 16.9%. Your Company's profit (after tax) was ₹438 crore, delivering a return of 12.8% on sales as against 11.5% in the previous year.

Most predictions point to a steady GDP growth in India, for a foreseeable future. This growth will demand new energy and infrastructure investments along with higher productivity and industrial efficiency. With a clear future Vision, your Company is determined to achieve the next phase of growth by strategically pursuing key capital investments in energy and infrastructure sectors, industrial digitalization to aid productivity and efficiency, participate in sustainable energy transition and promoting environmental stewardship. In this journey, your Company aims to leverage Honeywell's state-of-the-art technology and innovation and global experience.

Your Company is focused on creating measurable value for its customers and is committed to the highest standard of quality. The Company has delivered multiple projects in the areas of buildings, smart city infrastructure, and complex process industries. Your Company has a strong opportunity pipeline and a healthy orders' backlog. With a clear focus on sectors like oil and gas, oil refining and petrochemicals, fertilizers and agrochemicals / specialty chemicals, life sciences and pharma, alternate and new energy, metals and mining, pulp and paper, airports, tunnels, hospitals, data centers, and other infrastructure projects – the Company is excited about the future. With the country's strong focus on energy transition, your Company is well placed to become the automation and digitalization partner that addresses needs of renewable energy projects. Your Company's world-class automation and digitalization solutions will enable the upcoming giga-factories to be globally competitive, productive and efficient. Pharmaceutical and life sciences provide an attractive opportunity for your Company to meet their goals of operational excellence, productivity, safety, regulatory compliance and data driven decision making. Your Company's wide and rich portfolio of products, solutions, digital-software and services positions us well to participate in multiple opportunities, thereby managing the risks that may emerge from a few sectors growing slower than the others.

The two mega-vectors that your Company will ride on are – rapid Industrial Digitalization and Climate Change forcing the Sustainable Energy Transition. Digitalization brings the required agility, efficiency, productivity, and compliance management. Sustainable Energy Transition offers harnessing and shifting to new energy sources that are addressing the urgent need to stop climate change. For our nation, this transition also holds a significant potential to not only achieve energy security, but possibly a mega hub for supply to the other regions in the world.

While focusing on the above, your Company is resolute on its CSR programs. With a strong belief in equitable growth, we shall continue to fulfill our duties to drive CSR programs that benefit the society at large.

In conclusion, I am proud of the achievements and progress your Company has made throughout the last five years. Our unwavering commitment to excellence, innovation and customer satisfaction has been the driving force behind our success. I take this opportunity to extend my deepest gratitude to our committed employees – *#thefutureshapers*, our valued business partners and customers, and you – our loyal shareholders – for the unwavering support and trust. With your support, we have navigated unprecedented challenges, built a better resilience, embraced new opportunities and continued to push our boundaries to shape a better future. As we move forward, we remain steadfast in our pursuit of growth, sustainability and making a positive impact on the industries we serve. This is an exciting time for your Company, and in my humble opinion, the best is yet to come!

Ashish Gaikwad
Managing Director



“
Your Company
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pursuing
industrial
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energy transition,
promoting
environmental
stewardship,
and further
advancing
technological
innovation.

”

OUR BOARD OF DIRECTORS



DR. GANESH NATARAJAN

Independent Director and
Chairman (Non-Executive) -
Board



NEERA SAGGI

Independent Director



ASHISH GAIKWAD

Managing Director



ASHISH MODI

Non-Executive Director,
President Honeywell India



ATUL PAI

Non-Executive Director



NISHA GUPTA

Non-Executive Director

OUR KEY MANAGERIAL PERSONNEL



ASHISH GAIKWAD

Managing Director



PULKIT GOYAL

Chief Financial Officer



INDU DARYANI

Company Secretary

OUR MANAGEMENT TEAM



**ANANT
TEWARI**

Building
Solutions



**DIPANKAR
ROUTRAY**

Global Engineering
Services



**SAURABH
GUPTA**

Global
Manufacturing



**ANAND
PANDEY**

Advanced Sensing
Technologies



**MAHESH
JOSHI**

Human
Resources



**SHREEHARSHA
KARVE**

Procurement



**DEEPAK
GOYAL**

Information
Technology



**MADHAVI
BHALERAO**

Internal Audit



**ANINDYA
MAJUMDAR**

Legal

OUR ESG HIGHLIGHTS

At Honeywell Automation India Limited (HAIL) we believe that a holistic approach to growth is essential to the long-term success of the Company. HAIL is committed to achieving carbon-neutral operations by 2035. Additionally, we have undertaken various social initiatives in support of the communities we operate in. This report outlines our journey so far in carbon emission reduction, progressive governance, water conservation, and social responsibility.

We have made substantial progress in reducing our carbon emissions across different scopes. Here are some of our key achievements in the last five years (unless specified otherwise)



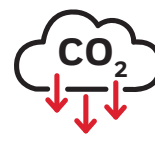
SCOPE 1
139.7 tons
carbon reduction



SCOPE 2
4,386 tons
carbon reduction



TOTAL ENERGY SAVINGS
FOR FY 2022-23
6,79,905 kWh



TOTAL CARBON REDUCTION
FOR FY 2022-23
636.5 MT

ENVIRONMENTAL

Chiller plant optimization Project - Replacement of inefficient chiller and its auxiliaries at HAIL Hadapsar:

- Energy savings: 239965 kWh.
- Carbon emission reduction: 194.37 MT.

Installation of 400 Occupancy Sensors to Optimize Lighting Use at HAIL Hadapsar:

- A total of Cost savings: 15%.
- Energy savings: 35,570 kWh.
- Carbon emission reduction: 28.81 MT.

Replacement of 176 R22 with efficient and ozone friendly R32 refrigerant AC units at HAIL Hadapsar:

- Cost savings: 38.5 %.
- Energy savings: 3,15,385 kWh.
- Carbon emission reduction: 255.46 MT.

Upgradation of 4 Conventional UPS to Energy Efficient Modular UPS Systems:

- Cost savings: 8.0 %.
- Energy savings: 88,985 kWh.
- Carbon emission reduction: 72.08 MT.

HAIL Fulgaon plant received 110 IREC for 2022:

- Offsetting 85.8 MT in CO2 emissions.

Water conservation: All HAIL sites are Zero Discharge facilities

- Water recycling at HAIL Fulgaon and Hadapsar - 13,267 KL sewage water recycled.
- Water aerator for washbasin taps - 130 KL water saved/ Year.
- Water saved by replacing chiller plant - 1,500KL/year.

SOCIAL

Community

Honeywell Center for Advancing Girls in STEM:

- 371 girl children from underserved communities provided high-quality education in residential set up, with special emphasis STEM subjects.
- 815 public school children impacted through the innovative STEM based Avasara Young Scientists' camps.

Honeywell 'Adarsh Gaon' Project:

- 199 villages and 20,513 rural lives in Nashik district of Maharashtra - impacted through initiatives in Drinking Water, Solar Electrification, WaSH activities, and Sustainable Livelihood.
- 1.5 million rural lives impacted through 47 Primary Health Centers and Community Health Centers, equipped with advanced equipment, in Haryana and Maharashtra.

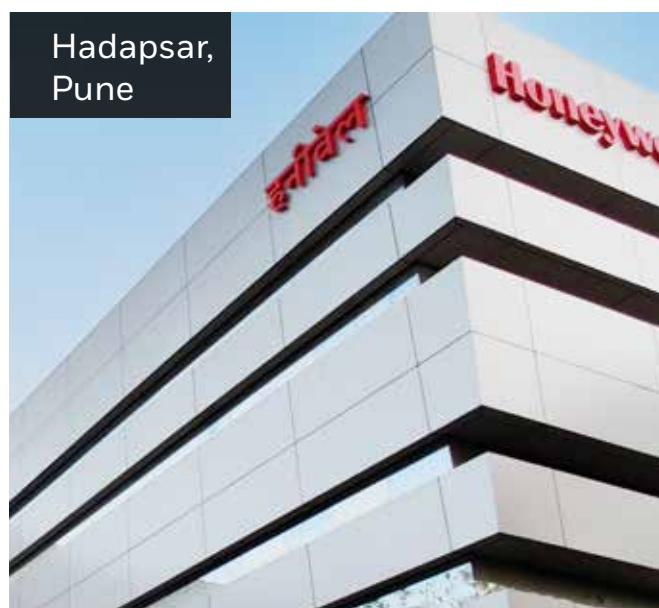
Honeywell 'Plant the Future' Campaign - One Million Tree Afforestation Project:

Honeywell 'Plant the Future' is a decade-long campaign which was kicked off in Oct, 2022 and the Company and it's employees are part of this campaign to contribute towards target of planting 1 million+ saplings in India by 2032. This initiative is to create micro forests and green patches in urban areas and promote crop diversification for income augmentation among farmers through orchard and multi-layer farming in rural areas.

GOVERNANCE

HAIL is committed to maintaining strong governance practices that uphold the highest standards of ethics, transparency, and accountability. We have implemented robust governance policies and procedures to guide our decision-making processes and ensure compliance with applicable laws and regulations. Our Board of Directors oversees the Company's strategic direction, risk management, and corporate governance practices, with a focus on long-term value creation for our shareholders.

We have established clear codes of conduct and business ethics that govern the behavior of our employees, promoting integrity, fairness, and respect in all our interactions. We regularly review and update our governance policies to adapt to evolving best practices and regulatory requirements. At Honeywell, we believe that strong governance is vital to maintaining the trust of our shareholders, customers, employees, and communities we serve.



At HAIL, we have made substantial progress in reducing our carbon emissions through targeted initiatives, energy-efficient technologies, and renewable energy certificates. Additionally, our efforts in water conservation and social initiatives demonstrate our commitment to sustainable practices and community development. We remain dedicated to making a positive impact on the environment and society as we strive towards a more sustainable future.



OUR CORNERSTONES



SUSTAINABILITY

As custodians of the fragile complexity of our planet, our commitment to sustainability is expressed through the renewable and efficient use of energy, as well as innovating towards circularity in the use of resources.



DIGITALIZATION

Technology democratizes access to services, opportunities, and information. Our emphasis on Digitalization is driven by its transformative impact on livelihoods, industries, and societies.



GROWTH

We remain steadfast in our pursuit of growth by strategically pursuing key capital investments in energy and infrastructure sectors, industrial digitalization to aid productivity and efficiency, participate in sustainable energy transition and promoting environmental stewardship.

NOTICE OF AGM

NOTICE is hereby given that the Thirty-Ninth Annual General Meeting of Honeywell Automation India Limited will be held on **Thursday, August 10, 2023 at 4.00 p.m.(IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a final dividend of ₹95/- (Rupees Ninety Five Only) per equity share for the financial year 2022-23.
3. To appoint a Director in place of Mr. Ashish Gaikwad (DIN: 07585079), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

4. To ratify remuneration of Cost Auditors.

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹7,00,000/- (Rupees Seven Lakhs Only) plus applicable taxes and re-imbursement of out-of-pocket expenses payable to M/s C S Adawadkar & Co., Cost Accountants (Firm Registration No. 100401) who are appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company pertaining to various products covered under cost audit for financial year ending March 31, 2024."

Notes:

1. MCA has *vide* its General Circulars No. (i) 14/2020 dated April 8, 2020, (ii) 17/2020 dated April 13, 2020, (iii) 20/2020 dated May 5, 2020, (iv) 21/2021 dated December 14, 2021, (v) 2/2022 dated May 5, 2022 and (vi) 10/2022 dated December 28, 2022 ("MCA Circulars") and SEBI *vide* its circulars No. (i) SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020; (ii) SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and (iii) SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 ("SEBI Circulars") permitted the holding of the Annual General Meeting through VC/ OAVM, without the physical presence of a Members at a common venue. In compliance with the provisions of Act,

the SEBI Listing Regulations, the MCA Circulars and the SEBI Circulars, the 39th AGM of the Company is being held through VC/OAVM on Thursday, August 10, 2023 at 4:00 p.m. IST. The deemed venue for the AGM will be the Registered Office of the Company.

2. As per the provisions of clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020 issued by the MCA, the matters of Special Business as appearing at Item No. 4 of the accompanying Notice, is considered to be unavoidable by the Board and hence, form part of this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect of Special Business under Item No. 4 is annexed hereto.
4. As required under Regulation 36 of the SEBI Listing Regulations and SS-2, relevant details of Director seeking re-appointment at the AGM are given in Annexure-1 of the Notice. Requisite declarations have been received from the Director seeking re-appointment.
5. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
6. Institutional / Corporate Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authority letter etc., authorising its representative(s) to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting and e-voting at AGM. The said Resolution/Authority letter shall be sent to the Scrutiniser by email through its registered email address to amruta@bokilandpunde.in with a copy marked to evoting@nsdl.co.in.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and relevant documents referred to in the Notice of this AGM and explanatory statement, will be available electronically for inspection by the Members during the AGM. Members who wish to inspect such documents can send their requests to the