

relatives are concerned or interested in the Resolutions mentioned at Item Nos. 1 & 2 of the Notice.

Item No. 3:

Under the erstwhile Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, borrow monies, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Under the provisions of Section 180(1)© of the Act, which were made effective from September 12, 2013, the above powers can be exercised by the Board only with the consent of the shareholders obtained by a Special Resolution. Further, as per the Circular dated March 25, 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolution earlier passed under Section 293 (1) (d) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Act, i.e. up to September 11, 2014. As such, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the paid up capital and free reserves of the Company.

The shareholders of the Company, through resolution dated 16th April 2009 had accorded their consent to the Board of Directors to borrow from time to time any sum or sums of money which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose, provided that the total amount of monies so borrowed shall not at any time exceed Rs. 150 crores (Rupees Hundred and Fifty Crores only), whichever is higher.

As on 31st December, 2013, the net-worth of the Company was approximately 7810 crores and currently is debt free. The Company shall ensure that the debt equity ratio of the Company, at all times, will be within prudent limits. It is necessary to obtain fresh approval of the shareholders by means of a Special Resolution.

The Board recommends the Resolution at Item No.3 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.3 of the Notice.

Item No. 4:

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the shareholders obtained by an Ordinary Resolution, create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Currently the Company is debt free and however as an enabling resolution, it is necessary to obtain fresh approval of the shareholders by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). Standard market terms of long term debt finance include conditions whereby lenders/ trustees in certain circumstances (such as non-payment or other events of default) can take over the management of the Company, to recover their dues. It is therefore, necessary to obtain members' approval by way of a Special Resolution under Section 180 (1) (a) of the Act for creation of charges/mortgages/hypothecations for an amount not exceeding 150 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The proposed borrowings of the Company may, if necessary, be secured by way of charge/ mortgage/ hypothecation on the Company's assets in favour of the lenders/ holders of securities / trustees for the holders of the said securities as mentioned in the Resolution at Item No. 4. As the documents to be executed between the lenders/security holders/ trustees for the holders of the said securities and the Company may contain provisions to take over substantial assets of the Company in certain events, it is necessary to pass a special resolution under Section 180(1)(a) of the Act, for creation of charges/mortgages/hypothecations for an amount not exceeding 150 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The Board recommends the Resolution at Item No. 4 of the Notice for approval of the shareholders by a Special Resolution.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

Item No. 5:

The Audit Committee had recommended the appointment of Mr. Chandrashekhar S. Adawadkar of C S Adawadkar & Co, Cost Accountants appointed by the Board of Directors as Cost Auditor for auditing the Company's cost accounting records at a remuneration of Rs. 7,00,000/- (Rupees Seven lakhs only).

As per the rules for Appointment of Auditors, shareholders are requested to ratify the remuneration.

None of the Directors and key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 5 of the Notice.

By order of the Board of Directors

**Sneha Padve
Company Secretary**

Mumbai

October 31, 2014

Registered Office:

56 & 57, Hadapsar Industrial Estate,
Pune 411013
CIN: L29299PN1984PLC017951
Website: www.honeywellautomationindia.com.

HONEYWELL AUTOMATION INDIA LIMITED

CIN: L29299PN1984PLC017951

Registered Office : 56 & 57, Hadapsar Industrial Estate, Pune 411 013.
Tel: 020-66039400 Fax: 020-66039800 Email: acsindia@honeywell.com
Website: www.honeywellautomationindia.com

NOTICE

Dear Member,

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as ordinary/special resolution(s) by way of postal ballot / e-voting. The explanatory statement pertaining to the aforesaid resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a postal ballot form (the "Form") for your consideration. The Board of Directors of the Company (the "Board") has appointed Mr. P.N. Parikh of M/s Parikh & Associates, Practising Company Secretaries as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.30 p.m. on Thursday, 11th day of December 2014.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman/Director. The result of the postal ballot would be announced by a Director or the Company Secretary of the Company on Monday, 15th day of December 2014 at the registered office of the Company. The aforesaid result would be displayed at the registered office of the Company, intimated to the Stock Exchanges where the shares of the Company are listed, and displayed along with the Scrutinizer's report on the Company's website viz. www.honeywellautomationindia.com.

RESOLUTIONS:

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

Appointment of Mr. S.L. Rao as an Independent Director

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. S.L. Rao (DIN: 00005675), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from December 15, 2014 upto December 14, 2019."

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

Appointment of Mr. N. Srinath as an Independent Director

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. N. Srinath (DIN: 00058133), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from December 15, 2014 upto December 14, 2019."

3. To consider and if thought fit, to pass, the following resolution as a Special Resolution

"RESOLVED that in supersession of the earlier resolution no. 5 passed in the 25th Annual General Meeting held on Wednesday, April 16, 2009, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)© of the Companies Act, 2013, to the Board of Directors to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of Rs. 150 crores (Rupees One hundred and fifty crores)."

4. To consider and if thought fit, to pass, , the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the earlier resolution passed, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future, on such terms, at such time, in such form and in such manner as the Board may deem fit, together with power to take over the management of the business and concern of the Company in certain events in favour of all or any of the following, namely: Banks, Financial Institutions, Insurance Companies, Investment Institutions, other investing agencies, Bodies Corporate incorporated under any statute and trustees for the holders of debentures/ secured premium notes/ bonds/ other securities/ debt instruments, and other secured lenders (hereinafter referred to as "the Lenders") to secure repayment of any loans (both rupee loans and foreign currency loans) and/or any other financial assistance and/or guarantee facilities already obtained or that may hereafter be obtained from any of the Lenders by the Company, and/or to secure redemption of debentures (whether partly/fully convertible or non-convertible)/ secured premium notes/ bonds/ other securities/ debt instruments and/or rupee/ foreign currency convertible bonds and/or bonds with share warrants attached, already issued or that may hereafter be issued by the Company, together with all interest, compound additional interest, commitment charge, liquidated damages, premium on prepayment or on redemption, trustees' remuneration, costs, charges, expenses and all other moneys including revaluation/ devaluation/ fluctuation in the rates of foreign currencies involved, payable by the Company to the Lenders concerned, in terms of their respective Loan Agreements/ Heads of Agreements/ Hypothecation

HONEYWELL AUTOMATION INDIA LIMITED

CIN: L29299PN1984PLC017951

Registered Office : 56 & 57, Hadapsar Industrial Estate, Pune 411 013.

Tel: 020-66039400 Fax: 020-66039800 Email: acsindia@honeywell.com

Website: www.honeywellautomationindia.com

Postal Ballot Form

1. Name & Registered Address :
of the sole/ first named

2. Name(s) of the joint holder(s) :
(if any)

3. Registered Folio Number/ :
DP ID No. / Client ID*
*(Applicable to investors
holding Shares in
dematerialized form)

4. No. of Ordinary Share(s) held :

5. E-voting Sequence Number :

6. User ID: :

7. Password: :

I/We hereby exercise my/our vote in respect of the following Ordinary/ Special Resolution(s) to be passed through Postal Ballot / e-voting, by conveying my /our assent or dissent to the said Resolutions by placing tick (✓) mark in the appropriate box below:

Sr. No.	Description of Resolution	No. of Ordinary Shares for which votes cast	I/We assent to the Resolutions	I/We dissent to the Resolutions
			(FOR)	(AGAINST)
1.	Appointment of Mr. S.L. Rao as an Independent Director.			
2.	Appointment of Mr. N. Srinath as an Independent Director.			
3.	Consent of the Company under Section 180(1) (c) of the Act to the Board of Directors to borrow up to ₹ 150 crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.			
4.	Consent of the Company under Section 180 (1) (a) of the Act to the Board of Directors to create charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings.			
5.	Ratification of remuneration to Cost Auditor.			

Place:

Date:

Signature of the Member

Note: Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. GENERAL INFORMATION

- a) There will be one Postal Ballot Form / e-voting for every Client ID No. / Folio No., irrespective of the number of joint holders.
- b) Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
- c) Voting rights in the Postal Ballot/e-voting cannot be exercised by a proxy.

2. PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

- a) Members desiring to cast their vote by Postal Ballot should complete and sign this Postal Ballot Form and send it to the Scrutinizer, Mr. P.N. Parikh of M/s Parikh & Associates, Practicing Company Secretaries, at TSR Darashaw Private Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr E. Moses Road, Mahalaxmi, Mumbai 400 011, in the enclosed postage prepaid self-addressed envelope. Postal Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- b) In case of joint holding, this Postal Ballot Form should be completed and signed by the first named Member and in his absence by the next named Member.
- c) In respect of shares held by corporate and institutional shareholders (companies, trusts, societies, etc.), the completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution / appropriate authorisation, with the specimen signature(s) of the authorised signatory (ies) duly attested.
- d) The signature of the Member on this Postal Ballot Form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or registered with the Company, in respect of shares held in dematerialised form or in physical form, respectively.
- e) Completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours i.e at 5.30 p.m. on Thursday, 11th day of December, 2014. Postal Ballot Forms received after this date will be considered invalid.
- f) Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable to be rejected. The Scrutinizer's decision in this regard shall be final and binding.
- g) A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot process can write to the Company's Registrars- TSR Darashaw Private Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr E. Moses Road, Mahalaxmi, Mumbai 400 011 or to the e-mail ID hwlpostalballot2014@tsrdarashaw.com. Duly completed and signed duplicate Postal Ballot Forms should, however, reach the Scrutinizer not later than the close of working hours on Thursday, 11th day of December, 2014.
- h) Members are requested not to send any paper (other than the resolution/authority as mentioned under "Process for Members opting for voting by Postal Ballot" points' 2c above) along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.

The instructions for members for voting electronically are as under:-

(A) In case of Members receiving the Postal Ballot Form by E-mail:

- (i) Open e-mail and open PDF file viz; "HWL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on "Shareholder – Login".
- (iv) Insert user ID and password as initial password noted in step 3 (A) (i) above. Click "Login"
- (v) "Password change" menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of "e-Voting" opens. Click on "e-Voting: Active E-voting Cycles".
- (vii) Select "EVEN" (Electronic Voting Event Number) of Honeywell Automation India Limited.
- (viii) Now you are ready for e-Voting as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also click on "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) For the votes to be considered valid, the corporate and institutional shareholders (companies, trusts, societies, etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/ Appropriate Authorization etc. together with attested specimen signature of the duly authorized signatory(ies), to the Scrutinizer through e-mail at pnparikhhw@tsrdarashaw.com with a copy marked to evoting@nsdl.co.in.

(B) In case of Members receiving Postal Ballot Form by Post:

- (i) User ID and initial password is provided at the bottom of the Postal Ballot Form.
- (ii) Please follow all steps from Sr. No. A (ii) to A (xii) above, to cast your vote.

(C) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for Login to cast your vote.

(D) In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of NSDL's E-Voting website: www.evoting.nsdl.com. You can also send your queries/ grievances relating to e-voting to the e-mail ID : evoting@nsdl.co.in

(E) The period for e-voting starts on Wednesday, 12th November, 2014 from 09:00 a.m. and ends on Thursday, 11th December, 2014 at 05:30 p.m.

E-voting shall be disabled by NSDL at 5:30 p.m. on Thursday, 11th December, 2014.