

NOTICE is hereby given that the **THIRTIETH ANNUAL GENERAL MEETING** of HONEYWELL AUTOMATION INDIA LIMITED will be held at **4.00 p.m. on April 30, 2014** in Honeywell Automation India Limited, 56 & 57, Hadapsar Industrial Estate, Pune 411 013 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Directors' Report and Audited Statement of Profit and Loss for the year ended December 31, 2013 and Balance Sheet as at that date.
2. To declare dividend.
3. To appoint Director in place of Mr. M.N. Bhagwat who retires by rotation and is eligible for reappointment.
4. To appoint Director in place of Mr. Norman Gilsdorf who retires by rotation and is eligible for reappointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS:

6. **To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:**

To appoint a Director in place of Mr. Vikas Chadha, who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 11, 2013, under Section 161 of the Companies Act, 2013 and Article 144 of the Articles of Association of the Company and who holds office upto the date of the forthcoming Annual General Meeting but who is eligible for reappointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to the provisions of Section 257 of the Companies Act, 1956.

7. **To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 269, 309 and other applicable provisions of the Companies Act, 1956, the Company hereby approves of the appointment and remuneration of Mr. Vikas Chadha as Managing Director, with effect from January 1, 2014, upon terms and conditions set out in the draft Agreement submitted to this meeting and for identification signed by the Chairman, which is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said Agreement in such manner as may be agreed to between the Directors and Mr. Vikas Chadha.

NOTES:

- a) The Company's share are under the compulsory demat list. Shareholders are requested to utilize this facility to their advantage. Shareholders have been sent the ECS facility forms. Shareholders are requested to fill in the forms and take advantage of this facility.
- b) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, April 15, 2014 to Tuesday, April 22, 2014 (both days inclusive).
- c) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
- d) Members desiring any information about the Company's working are requested to write to the Company at an early date so as to enable the Management to reply at the General Meeting.
- e) Members are requested to promptly notify any change in their address to the Company's Registrars & Share Transfer Agents, namely, TSR DARASHAW PVT. LTD., 6-10 Haji Moosa Patrawala Ind. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011.
- f) Pursuant to the provisions of Section 205 A of the Companies Act, 1956, as amended, dividend for the year ended December 31, 2006, paid on April 27, 2007 will be transferred to the Investor Education and Protection Fund of the Central Government this year. Shareholders who have not encashed the dividend warrant(s) so far for the year ended December 31, 2006 or any subsequent years are requested to make their claim to the Office of the Registrar and

Transfer Agents: TSR DARASHAW PVT. LTD., 6-10 Haji Moosa Patrawala Ind. Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011. It shall be noted that once the dividend is transferred to the Investor Education and Protection Fund as above, no claim shall lie with the Company in respect of such amount.

- g) As per the provisions of the amended Companies Act, 1956, facility for making nomination is now available for shareholders in respect of the shares held by them. Nomination forms can be obtained from the Share Registrars of the Company.
- h) Shareholders are requested to bring their copy of Annual report to the meeting.

By order of the Board of Directors

Gurgaon, February 5, 2014

Sneha Padve
Company Secretary

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

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item Nos. 3 and 4:

Name of Director	Mr. M.N. Bhagwat	Mr. Norman Gilsdorf
Date of Birth	04.06.1932	18.12.1953
Date of Appointment	02.11.2004	06.02.2009
Expertise in specific functional areas	Engineering	Engineering
Qualifications	<ol style="list-style-type: none"> 1. B.E. (Mechanical & Electrical), University of Pune. 2. M.S. Mechanical Engineering, University of Illinois, USA. 3. Diploma in Business Management, Bajaj Management Institute, Mumbai. 	<ol style="list-style-type: none"> 1. Chemical engineering degree from Purdue University. 2. MBA in International Business and Finance from the Northwestern University.
List of Public Companies in which outside Directorships held as on December 31, 2013	Kenametal India Limited Walchand People First Limited Technopolis Knowledge Park Ltd.	-
Chairman/ Member of the Committees of the Board of the Companies on which he is a Director as on December 31, 2013	Audit Committee: Kennametal India Limited: Chairman Walchand People First Limited: Chairman	-

Item No. 6:

Mr. Vikas Chadha has been appointed by the Board of Directors with effect from November 11, 2013, as an Additional Director on the Board. He, therefore, holds office only upto the date of the forthcoming Annual General Meeting and is eligible for reappointment. The Company has received a notice in writing from a member as required by Section 257 of the Companies Act, 1956, proposing the appointment of Mr. Chadha as a Director.

Mr. Vikas Chadha has been with the Honeywell Group based at Delhi since the last 5 years and has held various positions such as Director - South Asia Security System; Regional Director - South Asia Honeywell Security Systems, Honeywell International India; Regional General Manager - Honeywell Building Solutions, Honeywell Automation India Ltd. Prior to joining Honeywell, he was with McKinsey & Company. Vikas has done his BE (Hons) Electronics from Delhi College of Engineering; Post Graduate Program in Management from Indian School of Business, Hyderabad.

Mr. Vikas Chadha is concerned and interested in the matter.

Item No. 7:

Mr. Anant Maheshwari has accepted a position as President, Honeywell India and he remains on the Board of Honeywell Automation India Ltd. Consequent to this change, the Board has passed a resolution, subject to the approval of the shareholders in the Annual General Meeting, appointing Mr. Vikas Chadha as Managing Director for a period of 5 years w.e.f. January 1, 2014, on the following terms and conditions:

- I) Mr. Vikas Chadha shall, as the Managing Director, be Head of the Management Team and shall, subject to the supervision and control of the Board of Directors, be responsible for the overall conduct and functioning of the Company.
- II) **Remuneration:**
 1. Annual Gross Compensation (which includes basic pay, HRA, other allowances and commission etc.) of Rs.1,00,00,000/- (Rupees One crore) to Rs.2,50,00,000/- (Rupees Two crores, fifty lakhs only) per annum, with such increases as may be determined by the Remuneration Committee of Directors from time to time and approved by the Board of Directors of the Company. The annual increment will be merit based and take into account the Company's performance.
 2. **Commission:**
Such remuneration by way of commission (ICP), in addition to the Annual Gross Compensation payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year subject to the overall ceilings stipulated in Sections 198 and 309 of the Act. The specific amount payable to the Managing Director will be based on certain performance criteria to be laid down by the Board and will be payable annually after the annual accounts have been approved by the Board of Directors and adopted by the members. The Managing Director will also be eligible to long term incentives such as stock options, restricted units issued by Honeywell International Inc., from time to time as per Honeywell policy.
 3. **Retirals:**
Company's contribution to Provident Fund, to the extent it is not taxable under the Income Tax Act; Gratuity payable as per the rules of the Company and encashment of leave at the end of tenure shall not be included in the computation.
 4. **Minimum remuneration:**
Notwithstanding anything to the contrary herein contained wherein any financial year during the currency of the tenure of the Managing Director, the Company has no profits or inadequate profits, the Company will pay remuneration by way of salary and perquisites as specified above.
- III) The terms and conditions of the said appointment and agreement may be altered and varied from time to time by the Board, as it may, in its discretion, deem fit within the maximum amount payable to Managing Director, subject to the provisions of Section 198, 309 and 310 and Schedule XIII of the Companies Act, 1956, or any other amendments made hereafter in this regard.
- IV) There are other usual provisions in the agreement relating to termination of contract, observing strict secrecy in respect of business matters, etc.

Mr. Vikas Chadha is concerned and interested in the matter.