HONEYWELL AUTOMATION INDIA LIMITED

Annual Report FY 2025 - 26

THE FUTURE
IS WHAT WE MAKE IT

Honeywell

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Registered Office
Honeywell Automation India Limited
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CIN: L29299PN1984PLC017951
Tel: +91 20 7114 8888
Email: HAIL.InvestorServices@Honeywell.com
Website: https://www.honeywell.com/in/en/hail

Registrar & Transfer Agent
MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
C-101, Embassy 247, L.B.S. Marg, Vikhroli (West)
Mumbai – 400083
Email: Investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

Plant
Honeywell Automation India Limited
Gate No.181, Plot No. 2 &3, Fulgaon,
Pune - 412 216

Statutory Auditors
Walker Chandiok & Co LLP
Chartered Accountants

Secretarial Auditors
J B Bhave & Co.
Practicing Company Secretaries

Primary Bankers
Citibank N. A.
J P Morgan Chase Bank N.A.

From the Chairman's Desk

> We are well positioned to lead the journey from Automation to Autonomy enabled by digitalization and Intelligent automation applications

Dr. Ganesh Natarajan
Independent Director and
Chairman (Non-Executive) - Board

Dear Shareholders,

It is my privilege to present the **42nd Annual Report of Honeywell Automation India Limited** for the financial year **2025–26**.

The Indian economy performed with high resiliency recording **GDP growth rates of upward of 7%**, continuing its position of the world's fastest-growing major economy. The growth is funneled by stable economic policies supporting heavy infrastructural and capital good investments buoyed by sustained domestic consumption. The industry and manufacturing sector growth is fueled by boosted central Production linked Incentive (PLI) schemes in advance manufacturing sectors such as Semiconductors, energy transition to new energy (solar, electrification) and core infrastructure investments in geographical corridors (roads, ports and airports) resulting in peak Index of Industrial output (IIP), firmly expansionary Purchasing Managers Index (PMI).

The global economy while strong continues to rebalance due to geo political considerations, regional conflicts and broad policies of supporting local for local trade and investments including protectionist labor policies impending free flow of cross border services and knowhow. Tariff restrictions and free trade agreements (FTA) amongst trading partner have the potential of rebase lining global supply chains.

India's energy transition journey has reached critical inflection points. Supported by structural reforms in sustainable generation, efficient grid integration and last mile carbon footprint reduction India is marching towards its publicly stated carbon neutrality. Technologies such as green hydrogen, digitalization monetizing physical AI, carbon capture, renewable energies (solar, wind) contribute significantly to Indias sustainable growth story.

In response, your company is well poised to solidify its position around the megatrends of Sustainability, automation and digitalization addressing both local demands of the Indian industry and global demands of its parent as a captive provider to Honeywell Technologies. The company maintains its growth trajectory of targeting 2x GDP growth while balancing profit rate along with its portfolio mix and remaining grounded on its working capital discipline.

As our parent company Honeywell Inc completes its portfolio transformation into Honeywell Technologies a "Pure play automation company", your company remains optimistic in being a valued system integrator for domestic demand and a significant captive service and manufacturing exporter. We are well positioned to lead the journey from Automation to Autonomy enabled by digitalization and Intelligent automation applications.

Our commitment to **environmental, social, and governance (ESG)** responsibilities remains integral to how we conduct business. The Company's CSR initiatives are focused on thematics such as "SAKSHAM" focusing on education, skills and research with additional emphasis of women and under privileged education, " SAMRAKSHAN" focusing on sustainable and holistic community development and "SAHAYATA" providing critical support during natural calamities and disasters.

Through our state of the art facilities, advanced technologies, and highly skilled workforce, the Company continues to deliver high quality products, projects, and services that consistently meet global standards and exceed customer expectations.

On behalf of the Board of Directors and the management team of **Honeywell Automation India Limited**, I extend my sincere gratitude to our shareholders, customers, employees, business partners, and all stakeholders for their continued trust, collaboration, and support.

From the Managing Director's Desk

As a pure play automation company, we remain optimistic in driving organic growth in creating as well as monetizing our install base in mission critical applications across industries.

Atul Vinayak Pai
Managing Director

Dear Shareholders,

I am proud to maintain the growth momentum with sustainable margin rates along with disciplined working capital performance. Honeywell Automation India Ltd (the Company) recorded sales totaling to ₹46,819 million, marking a year-on-year growth of 11.8%. The Company's profit (after tax) stood at ₹5,250 million, delivering a return of 11.2% on sales. The company also recorded Cash flow from operations of ₹4,926 million representing 93.8% of profit (after tax).

We are blessed to be at the intersection of strong tailwinds of the capital goods investment cycle, a stable government with consistent growth oriented economic policies and the companies focus on key mega trends of Automation, Digitalization and Sustainability.

The company's parent has substantially completed its portfolio transformation, resulting in Honeywell Technologies being a focused pureplay automation company. While the portfolio separation of Aerospace and Advanced materials did not have any significant impact on the companies' operations, the company will benefit with the focused attention and synergies of the pure play automation behemoth. As a System integrator of the parent, the company is poised to benefit from the automation focus in Industrial and Buildings segment and monetizing its install base in deploying connected offerings driving outcomes of asset efficiency, sustainability and energy efficiency.

The domestic market opportunities will continue to grow backed by investment in infrastructure, energy transition, new energy investments such as alternate energy and giga factories, and advance manufacturing like semiconductor, pharma to name a few. Government policies promoting "Make in India', PLI's in priority sectors, investment in strategic corridors also provide significant growth opportunities. The export market where the company is a captive provider of engineering services and contract manufacturing to the parent is strategically poised to contribute towards global honeywell technologies growth. The global markets are consistently evolving around workforce visa dynamics, supply chain dynamics such as tariffs, preference for local manufacturing, free trade agreements within trading partners, etc. The company remains focused on being competitive in retaining fair share of such global demand.

Customer obsession will be the cornerstone for our employees #futureshapers harnessing ability to grow and pivot to new industries while remaining sharp on the learning curve of new technologies such as applied physical AI, connected offering pivoting into annual recuring revenue. Honeywell's mature talent management process ensures depth in succession planning, continuous learning and career progression is the backbone of our talented workforce.

Our CSR initiatives "Saksham" (Education and Skills & Research) and "Samrakshan" (sustainable & Holistic Community Development) are driving impactful outcomes to the community and provides a great platform for the employees to volunteer and be proud of giving back to the society.

As a pure play automation company, we remain optimistic in driving organic growth in creating as well as monetizing our install base in mission critical applications of the industry. I remain thankful to our customers, employees, business partners and our loyal shareholders for their unwavering support in our exciting growth journey.

Board of Directors

Dr. Ganesh Natarajan
Independent Director & Chairman (Non-Executive) - Board

Neera Saggi
Independent Director

Ashish Kumar Modi
Non-Executive Director

Robert David Mailloux
Non-Executive Director

Jake Morgan Wasserman
Non-Executive Director

Atul Vinayak Pai
Managing Director (KMP)

Statutory Committees of the Board

Audit

- Dr. Ganesh Natarajan©
- Neera Saggi
- Robert David Mailloux

Nomination & Remuneration

- Neera Saggi©
- Dr. Ganesh Natarajan
- Ashish Kumar Modi

Corporate Social Responsibility

- Atul Vinayak Pai©
- Neera Saggi
- Ashish Kumar Modi

Stakeholders' Relationship

- Ashish Kumar Modi©
- Dr. Ganesh Natarajan
- Atul Vinayak Pai

Risk Management

- Atul Vinayak Pai©
- Neera Saggi
- Ashish Kumar Modi
- Pulkit Goyal (upto the close of business hours of May 20, 2026)
- Satish Kumar Agarwal (w.e.f. June 1, 2026)

© Chairman

Key Management Personnel

Atul Vinayak Pai
Managing Director (KMP)

Pulkit Goyal
Chief Financial Officer (KMP)
(upto the close of business hours of May 20, 2026)

Satish Kumar Agarwal
Chief Financial Officer (KMP)
(w.e.f. June 1, 2026)

Indu Daryani
Company Secretary & Compliance Officer (KMP)

Senior Management Personnel

Shailesh Garbhe
Process Solutions

Girish Shastri
Global Engineering Services

Saurabh Gupta
Global Manufacturing

Mahesh Joshi
Human Resources

Nandini Vishwas
Internal Audit

Kavery Madappa
Legal

Shreeharsha Karve
Procurement

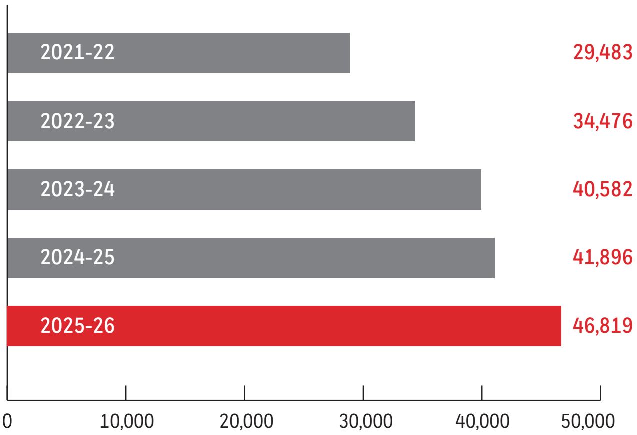
Performance Highlights

(₹ in millions)

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22
Revenue from operations*	46,819	41,896	40,582	34,476	29,483
Profit Before Exceptional Item and Tax	7,211	7,056	6,749	5,913	4,576
Less: Exceptional item (Refer note 36 to the financial statements)	123	-	-	-	-
Profit Before Tax	7,088	7,056	6,749	5,913	4,576
Less: Provision for tax on Income	1,838	1,820	1,735	1,533	1,185
Profit After Tax	5,250	5,236	5,014	4,380	3,391
Dividend - %	1100%	1050%	1000%	950%	900%
Dividend - ₹ Per Share	110	105	100	95	90
Paid-up Capital	88	88	88	88	88
Other equity	44,539	40,294	35,974	31,797	28,279
Net Worth	44,627	40,382	36,062	31,885	28,368

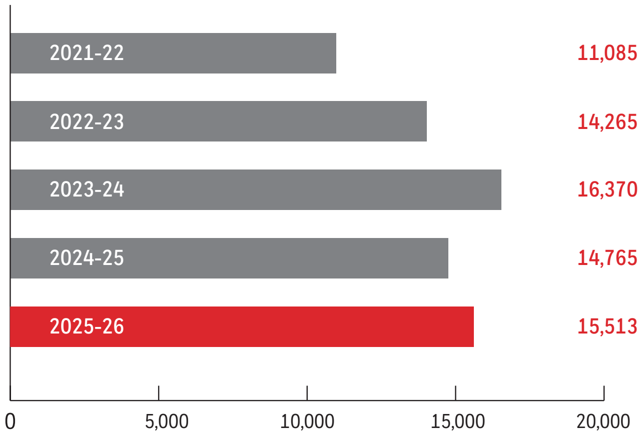
KEY METRICS

Total Sales (₹ in millions)*



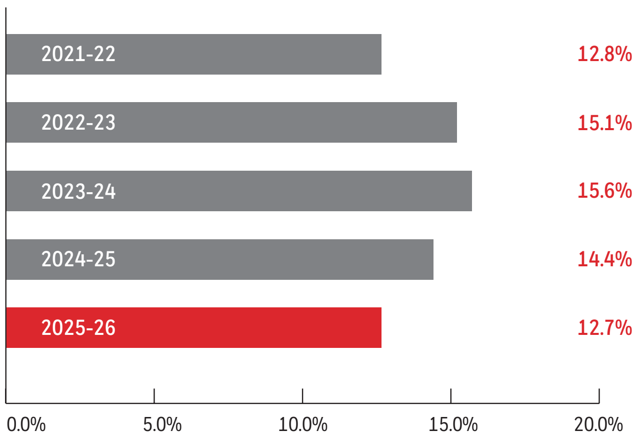
Annualized sales increased by 12%

Export Sales (₹ in millions)*



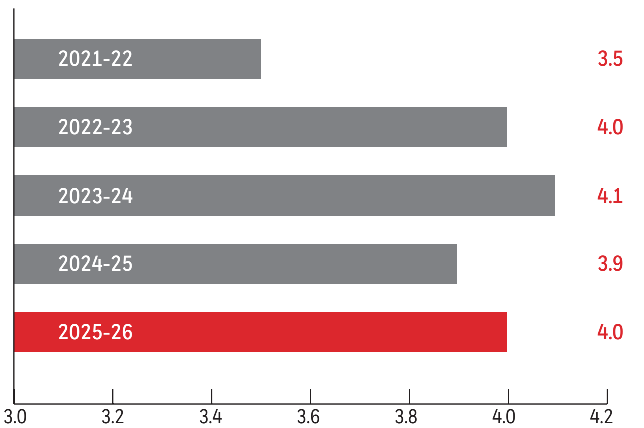
Exports sales were 33% of total sales, decreased as compared to 35% in the previous year

Return on Net worth



Return on net worth decreased by 1.7%

Debtors Turnover#

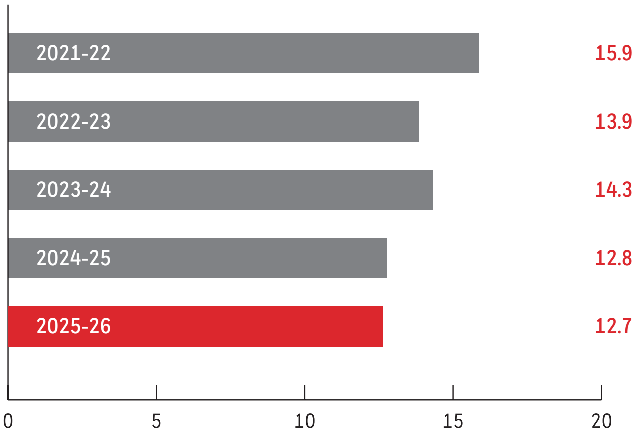


 # Refer note 46 to the financial statements

Debtors' turnover ratio has increased to 4.0 against 3.9 in previous year

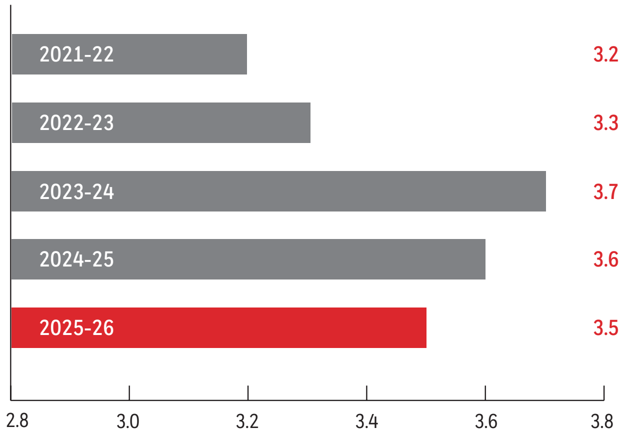
** Revenue from financial year 2024-25 onwards does not include reimbursement of expenses (consisting of travel, living and allied cost) as these have been netted out from respective expenses. Such treatment is profit neutral.*

Inventory Turnover



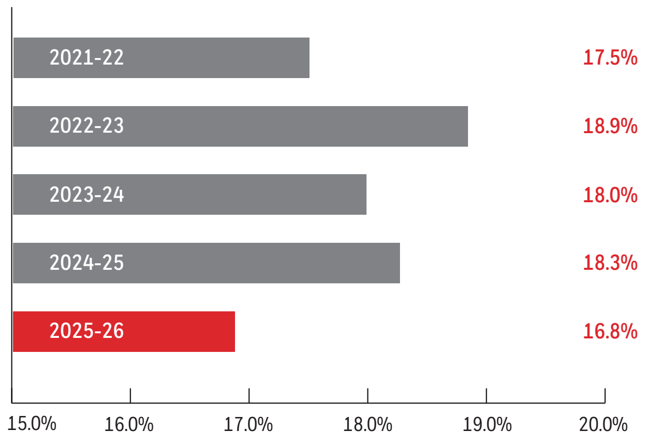
Inventory turnover ratio has decreased to 12.7 against 12.8 in previous year

Current Ratio



Current ratio has decreased to 3.5 against 3.6 in previous year

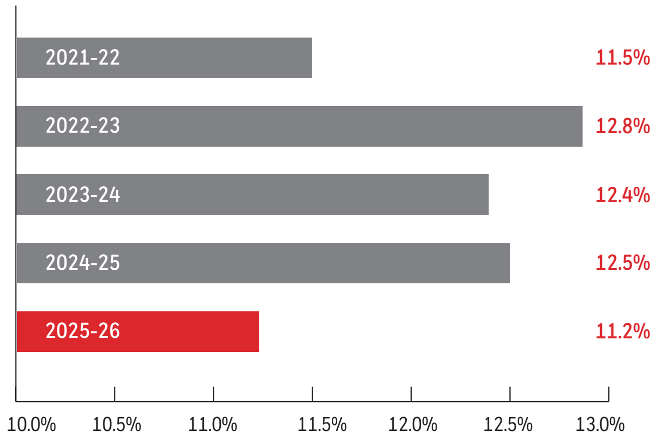
Operating Profit Margin*



Includes Other Income

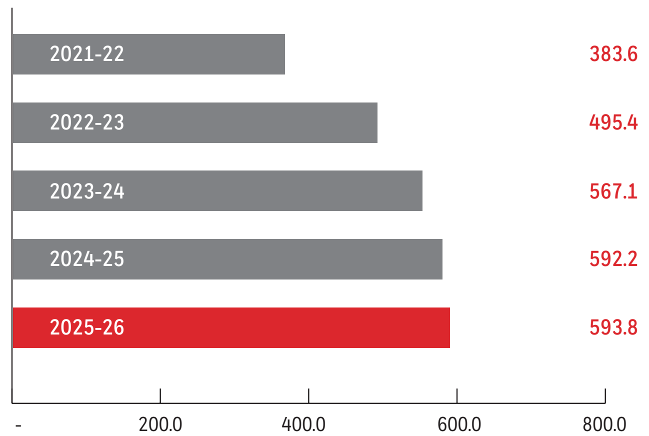
Operating profit margin decreased by 1.5%

Net Profit Margin



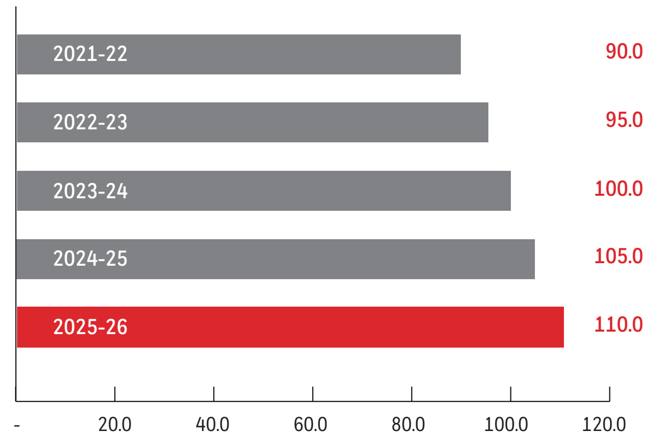
Net profit margin decreased by 1.3%

Earnings per share (₹)



Increase in Earnings per share by 0.3% compared to previous year

Dividend per share (₹)



Increase in Dividend per share by 4.8% compared to previous year

ESG Highlights

ENVIROMENTAL

Honeywell Automation India Limited (HAIL) is committed to a holistic growth strategy for long-term success. We aim to achieve carbon neutrality by 2035 as part of our dedication to combating climate change.

Conservation of Energy

The Company is dedicated to promoting energy conservation through several strategic initiatives, including technological, adoption of best operational practices, and implementation of cost-effective solutions. The Company's facility consistently realizes ongoing energy savings due to previously implemented projects, such as the Intelligent Building Optimizer and replacement of the capacitor bank.

Technology Absorption

The **Forge - Predictive Maintenance (PDM)** is a solution developed by Honeywell for digital monitoring of assets, currently implemented at Hadapsar. This solution provides real-time digital monitoring of asset performance and enhances operational efficiency by providing timely service alerts, minimizing unplanned equipment downtime, and facilitating effective capital planning.

Renewable Energy Integration

The Company previously signed 2 third-party Power Purchase Agreements (PPAs) and has established an additional PPA for a 530 kWp onsite solar plant for FY 2025-26. The full fledge operation started from April 2025. The Company remains committed to enhancing its renewable energy contributions and achieving carbon neutrality.

In FY 2025-26, the Company consumed 3.51 million kWh of green energy, achieving utilization rate of 43%.

SOCIAL

The Company has supported following initiatives of HHSIF:

IITB-Honeywell COE for Future Skills & Innovation

A sustainability-driven Centre of Excellence at IIT Bombay, the initiative focuses on building skills and fostering innovation to drive social and environmental impact. Initiated in FY25-26, the project aims to upskill 1lakh+ students in Sustainability Skills by 2030. In its first year of implementation, Honeywell has reached out to 1000 colleges & successfully initiated pilot training for 364 students.

Honeywell Future Skills Edge

The project aims to enhance employability of youth through capacity building around future skills such as AI & Cybersecurity. Initiated in FY25-26, the project aims to upskill 2lakh+ students in AI & Cybersecurity by 2029. The project has reached 28,000+ students through the digital platform for training with 864 students having completed the skills training by March 2026.

Holistic Community Development

The project drives sustainable development by providing community-centric solutions across four key areas i.e. Water & Sanitation, Clean Energy, Education, Environmental Sustainability and Economic Development (livelihood), impacting 4000+ community members.

Plant the Future Campaign

Initiated in FY 2022-23, Honeywell planted ~2.4 lakh saplings across Pune, Bangalore, and Mumbai, with a commitment to maintain them for 3 years. With the grant committed in FY2025-26, Honeywell extended maintenance support to ensure continued care of these plantation sites, thereby strengthening green cover, fostering biodiversity, and creating resilient ecosystems.

Note- *For the projects specified above, HAIL has contributed following share out of the total program budget spent by HHSIF - (i) IITB-Honeywell COE for Future Skills & Innovation – 66%; (ii) Honeywell Future Skills Edge – 100%; (iii) Holistic Rural Development program - 86%, (iv) Plant the Future Campaign – 15.9%.*

GOVERNANCE

The Company upholds rigorous governance standards to ensure compliance with laws and internal policies while minimizing legal risks. The Board of Directors plays a crucial role in overseeing strategic decisions and risk management, aligning these efforts with the Company's vision to promote sustainable value creation for all stakeholders.

The governance framework guides automation initiatives and ensures that technological deployments align with the Company's strategic objectives and ethical standards. It also fosters a culture of learning, diversity, and inclusion, empowering employees to excel and driving innovation. Committed to maintaining high governance standards, the Company focuses on transparency and continuous improvement to enhance stakeholder trust and deliver lasting value to shareholders, customers, employees, and communities.

Notice of AGM

NOTICE is hereby given that the **42nd Annual General Meeting of Honeywell Automation India Limited will be held on Wednesday, July 29, 2026 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, 2026, together with the Reports of the Board of Directors and the Auditors thereon.

2. To declare a Final Dividend of ₹110/- (Rupees One Hundred and Ten Only) per equity share for the Financial Year 2025-26.

3. To appoint a director in place of Mr. Ashish Kumar Modi (DIN: 07680512), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **Commission payable to Dr. Ganesh Natarajan (DIN: 00176393), Independent Director, Non-Executive Chairman – Board**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Regulation 17(6)(ca) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and based on the recommendation of the Nomination and Remuneration Committee, consent of the shareholders of the Company be and is hereby accorded for payment of remuneration in the form of commission to Dr. Ganesh Natarajan (DIN: 00176393) Independent Director, Non-Executive Chairman-Board, for Financial Year 2025-26, being an amount exceeding fifty percent of the total annual remuneration payable to all the Non-Executive Directors of the Company for Financial Year 2025-26."

5. **Material Related Party Transactions of the Company with Honeywell International Inc., Ultimate Holding Company**

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

   "**RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws / statutory provisions, if any, the Company's Policy on Material Related Party Transactions and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include the Audit Committee or any other Committee constituted/ empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Honeywell International Inc. ("HII"), the Ultimate Holding Company and accordingly a "Related Party" of the Company, on such terms and conditions as may be mutually agreed between the Company and HII, for an aggregate value not exceeding ₹9,500 Million during the Financial Year 2026-27, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is / are carried out at an arm's length pricing basis and in the ordinary course of business.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s)/ agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

6. **Material Related Party Transactions of the Company with Honeywell Measurex (Ireland) Limited, a fellow subsidiary of the Company**

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

"**RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ("Act") read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws / statutory provisions, if any, the Company's Policy on Material Related Party Transactions and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include the Audit Committee or any other Committee constituted/ empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for the Material Related Party Transaction(s)/ Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Honeywell Measurex (Ireland) Limited ("HMIL"), a fellow subsidiary of the Company and accordingly a "Related Party" of the Company, on such terms and conditions as may be mutually agreed between the Company and HMIL, for an aggregate value not exceeding ₹7,700 Million during the Financial Year 2026-27, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is / are carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s)/ agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

7. **Ratification of Cost Auditor's Remuneration**

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 Lakh 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 the Financial Year ending March 31, 2027."

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) 10/2022 dated December 28, 2022, (v) 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard the latest being (vi) 03/2025 dated September 22, 2025 ("MCA Circulars") permitted the holding of the Annual General Meeting through VC/ OAVM, without the physical presence of Members at a common venue. In compliance with the provisions of the Act, the SEBI Listing Regulations and the MCA Circulars **the 42nd AGM of the Company is being held through VC/ OAVM on Wednesday, July 29, 2026, 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 Nos. 4 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.

3. The Explanatory Statement in respect of Special Business under Item Nos. 4 to 7, pursuant to Section 102 of the Act, is annexed hereto.

4. As required under Regulation 36(3) of the SEBI Listing Regulations and SS-2, relevant details of the Director seeking re-appointment at the AGM are given in Annexure-1 to the AGM Notice. Requisite declarations have been received from the Director seeking reappointment.

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 THE 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.com. Institutional Members/Corporate Members can also upload their Board Resolution/Power of Attorney/Authority Letter, by clicking on "Upload Board Resolution/Authority letter", etc. displayed under 'e-Voting' tab in their Login.

7. Only registered Members of the Company may attend and vote at the AGM through VC/OAVM facility.

8. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

9. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and up to 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and Auditors. The Members will be able to view the proceedings on NSDL's e-Voting website at www.evoting.nsdl.com.

11. Pursuant to Regulation 42 of the SEBI Listing Regulations, **the Register of Members and Share Transfer Books of the Company will be closed from Saturday, July 18, 2026 to Tuesday, July 28, 2026 (both days inclusive)**. **The Record Date for determining the names of members eligible for final dividend on equity shares for the Financial Year 2025-26, if approved by the members at the AGM is Friday, July 17, 2026. The payment of such dividend subject to deduction of tax at source will be made from Wednesday, August 5, 2026.**

    Pursuant to SEBI Master Circular dated February 6, 2026 read with the SEBI Listing Regulations, with effect from November 18, 2025, **dividends shall be processed only in electronic mode, and payment**

through dividend warrants or cheques has been discontinued. Payment shall be made subject to:

- Folio being KYC compliant, i.e., PAN, contact details including Mobile No., bank account details and specimen signature are registered with the Company/ RTA (for shareholders holding shares in physical form).
- Updating of bank details with DPs (for shareholders holding shares in dematerialized form).

12. Members holding shares in dematerialized form are requested to update/intimate all changes, if any pertaining to their bank details such as name of the bank and branch address, bank account number, MICR Code, IFSC Code, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS) mandates, Permanent Account Number (PAN), nominations, power of attorney, change of address, change of name, email address, contact numbers, mobile number, etc., to their Depository Participant (DP). Members holding shares in physical form are requested to intimate such changes to the Company's RTA.

13. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the SEBI Listing Regulations and the Circulars issued by the MCA in this regard, the Company has provided a facility to the Members to exercise their vote through electronic means. The facility of casting the votes using an electronic voting system ("remote e-voting") will be provided by NSDL.

    A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date i.e., Wednesday, July 22, 2026,** shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM. **The remote e-voting period commences from Sunday, July 26, 2026 (9.00 a.m. IST) and ends on Tuesday, July 28, 2026 (5.00 p.m. IST).** During this period, Members holding shares either in physical form or in dematerialised form, as on the cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.

    Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

    The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

    The instructions for remote e-voting and e-voting at AGM and joining the AGM virtually are annexed at Annexure-2 to the AGM Notice.

14. SEBI has mandated the listed companies to process the following service requests for issue of securities in dematerialized form only, subject to folio being KYC compliant:

    - Issue of duplicate securities certificate
    - claim from unclaimed suspense account
    - renewal/exchange of securities certificate
    - endorsement
    - sub-division/splitting of securities certificate
    - consolidation of securities certificates/ folios
    - transmission and transposition

    Accordingly, Members are requested to submit duly filled and signed Form ISR-4 with the Company's RTA. With effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation by the Company/RTA while processing the above-mentioned service requests. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List.

    Reference is also drawn to SEBI Master Circular dated February 6, 2026, SEBI has simplified the process and reduced the documentation requirements for issuance of duplicate share certificates.

    Further, pursuant to Regulation 40 of the SEBI Listing Regulations, request for transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same, to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company/RTA for assistance in this regard.

15. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S RTA.**

16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

17. As per the provisions of Section 72 of the Act, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the RTA's website at https://web.in.mpms.mufg. com/KYC-downloads.html. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.

18. Non-resident Indian shareholders are requested to inform immediately about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be:

    a. The change in the residential status on return to India for permanent settlement.

    b. The particulars of the NRE Account with a Bank in India, if not furnished earlier.

19. SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login.

20. Members are requested to note that dividends if not encashed or remain unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to IEPF. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

    The Members whose unclaimed dividends and/or shares have been transferred to IEPF may contact the Company's RTA and submit the required documents for issue of Entitlement Letter. The Members shall attach the Entitlement Letter and other required documents and file the Form IEPF-5 form for claiming the dividend and/ or shares via www.iepf.gov.in.

    This is to bring to the notice of shareholders of the Company, whose dividend claims are currently unpaid/ unclaimed, and the underlying shares are therefore liable to be transferred to IEPF. With a view to empower shareholders to claim their unpaid or unclaimed dividends and underlying shares before they are transferred to the IEPF, the IEPF Authority, Ministry of Corporate Affairs had initiated a 100 days campaign named "Saksham Nivehsak" from July 28, 2025 to November 6, 2025. The IEPF Authority, Ministry of Corporate Affairs has launched the Second 100 days Campaign - "Saksham Niveshak" from April 1, 2026 to July 9, 2026 to reach out to shareholders whose dividend and shares remain unpaid/unclaimed with an emphasis on KYC updation by the concerned shareholders. The shareholders concerned are encouraged to claim their unclaimed dividends by **updating their KYC details** with the Company's RTA.

21. In compliance with the MCA Circulars and the SEBI Listing Regulations, Notice of the AGM along with the Annual Report for the Financial Year 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ DP, unless any Member has requested for a physical copy of the same. A letter providing a web-link and QR code for accessing the Annual Report will be sent to those Members who have not registered their Email IDs. The Company shall send a physical copy of the Annual Report FY 2025-26 to those Members who request the same at HAIL.InvestorServices@Honeywell.com mentioning their Folio No./DP ID and Client ID.

    Members may note that the Notice and Annual Report 2025-26 will also be available on:

    - the Company's website https://www.honeywell.com/in/ en/hail, QR Code below:

- websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.

22. **Process for registering e-mail addresses to receive this Notice electronically and cast votes electronically:**

    The Company has made special arrangements with RTA for registration of email addresses of those Members (holding shares either in electronic or physical form) who wish to receive this Notice electronically and cast votes electronically. Eligible Members whose email addresses are not registered with the Company/DPs are required to provide the same to the RTA **on or before 5.00 p.m. (IST) on Friday, July 17, 2026**, by following the process for registering e-mail address as mentioned below:

    a. Visit the link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html

    b. Select the name of the Company from the dropdown list: Honeywell Automation India Limited.

    c. Enter the Folio No./DP ID, Client ID, Shareholder Name, PAN details, Mobile no. and E-mail ID. Shareholders holding shares in physical form are required to additionally enter one of their share certificate numbers.

    d. System will send OTP on the Mobile number and Email ID. Enter OTP received on the Mobile number and Email ID.

    e. The system will then confirm the e-mail address for the limited purpose of service of Notice of AGM along with the Annual Report FY 2025-26 and e-Voting credentials.

    The above system also provides a facility to the Members holding shares in physical form to upload a self-attested copy of their PAN Card, if the PAN details are not updated in accordance with the requirements prescribed by SEBI.

    After successful submission of the e-mail address, NSDL will email a copy of the Notice and the Annual Report for FY 2025-26. In case of any queries, Members may write to evoting@nsdl.com.

    However, Members holding shares in electronic form will have to once again register their email address and mobile number with their DPs, to permanently update the said information.

    Registration of e-mail address permanently with the RTA/DPs: To support the Green initiative, Members are requested to register their e-mail addresses with their concerned DPs, in respect of electronic holding and with the Company's RTA, in respect of physical holding. Further, those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated/updated with their DPs/ RTA for all future communications.

23. CS Amruta Rajarshi of Bokil Punde & Associates, Company Secretaries, has been appointed as the Scrutiniser to scrutinise the e-voting during the AGM and remote e-voting process in a fair and transparent manner. Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again. The scrutiniser shall close the voting facility after expiry of 15 minutes from the conclusion of voting at the AGM. The scrutiniser shall first count the votes caste electronically at the meeting and there after unblock the votes cast through remote e-voting and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutinisers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Board in writing, who shall countersign the same and declare the result of the voting forthwith.

    The results declared along with the report of the Scrutiniser shall be placed on the website of the Company at https://www.honeywell.com/in/en/hail and on the website of NSDL immediately after the declaration of result by the Company. The results shall also be immediately forwarded to the BSE and NSE where the shares of the Company are listed.

24. 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 made available electronically for inspection by the Members during the AGM. Members who wish to inspect such documents can send their requests to the Company at HAIL.InvestorServices@honeywell.com by mentioning their Name and Folio Number / DP ID and Client ID.

25. **Tax on Dividend**

    Members may note that dividend income is taxable in the hands of the Members. Accordingly, the Company is required to deduct tax at source ("TDS") at the time of making payment of dividend, if declared at the AGM of the Company. For the prescribed TDS rates for various categories, please refer to the Income Tax Act, 2025 and the Finance Acts of the respective years.

Resident individual shareholders with PAN and whose income does not exceed maximum amount not chargeable to tax or who is not liable to pay income tax shall submit Form 121 (erstwhile Form 15G or Form 15H). If PAN is incorrect/invalid/inoperative/not linked to Aadhar then tax will be deducted at higher rates and credit of TDS may not be available.

Non-resident shareholders [including Foreign Portfolio Investors (FPIs)] who can avail beneficial rates under tax treaty between India and their country of tax residence are required to submit the following documents:

- No Permanent Establishment Declaration
- Beneficial Ownership Declaration
- Tax Residency Certificate
- Copy of electronically filed Form 41 (erstwhile Form 10F)
- Any other document which may be required

The documents such as Form 121 and documents under Sections 393(5), 393(6), etc. can be uploaded on the link: https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html to enable the Company to determine the appropriate TDS / withholding tax rate applicable. Resident Shareholders are requested to share the other documents at Csgexemptforms2627@in.mpms.mufg.com. Non-Resident Shareholders are requested to share these documents at HAIL.InvestorServices@Honeywell.com. Documents sent to any other email address may lead to non-submission of documents and attract TDS as per the provisions of the Income Tax Act. The above-mentioned documents should reach us **on or before Monday, July 20, 2026, 5:00 pm IST** in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction shall be entertained post the above date.

Members are requested to refer to the email sent to their registered email address for details on submission of exemption documents. Further, Members are requested to submit the latest Forms to avail exemption of TDS. The erstwhile Forms shall not be accepted for this purpose. In case of any discrepancy in documents submitted by the Member, the Company will deduct tax at a higher rate as applicable, without any further communication in this regard.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial rate of Tax Treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

26. **Special Window for lodgement of physical share transfer requests:**

A special window, as mandated by SEBI, is available till February 4, 2027, to facilitate lodgement of transfer requests executed before April 1, 2019 but were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents. Eligible shareholders are requested to submit the requisite documents before February 4, 2027 with the Company's RTA. Securities transferred through this mechanism shall be credited only in dematerialized form and will remain under a one year lock in, during which they cannot be transferred, lien marked, or pledged.

By Order of the Board

Indu Daryani
Company Secretary

Pune, May 20, 2026

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

STATEMENT SETTING OUT MATERIAL FACTS

Pursuant to Section 102 of the Companies Act, 2013

Item No. 4:

Commission payable to Dr. Ganesh Natarajan (DIN: 00176393), Independent Director, Non-Executive Chairman

The members of the Company had at the 38th AGM held on August 17, 2022, approved payment of remuneration by way of commission to Non-Executive Directors of the Company in respect of the profits of the Company for each year of the period of five years commencing with the financials for the year commencing from April 1, 2022.

Based on the recommendation of the NRC, the Board approved commission payable for FY 2025-26 to the Independent Directors as under:

(₹ in million)

Name of Director	Commission for FY 2025-26
Dr. Ganesh Natarajan, Independent Director and Non-Executive Chairman -Board	3.25
Ms. Neera Saggi, Independent Director	3.15

Pursuant to Regulation 17(6)(ca) of the SEBI Listing Regulations, consent of the members is sought for passing a Special Resolution as set out at Item No. 4 of the Notice for the commission amount payable to Dr. Ganesh Natarajan exceeding fifty per cent of the total remuneration payable to all Non-Executive Directors for the Financial Year 2025-26.

Taking into consideration the pivotal role played by the Chairman, the Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

Except for Dr. Ganesh Natarajan and/or his relatives, no other Director, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item Nos. 5 and 6:

Material Related Party Transactions of the Company with Honeywell International Inc., Ultimate Holding Company

Material Related Party Transactions of the Company with Honeywell Measurex (Ireland) Limited, a fellow subsidiary of the Company

Pursuant to Regulation 23 of the SEBI Listing Regulations, all Material Related Party Transactions ("MRPTs") require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis.

In view of the above, Resolution Nos. 5 and 6 are placed for approval by the Members of the Company.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee (including the Independent Directors), after reviewing all necessary information, has granted its approval for entering into the below-mentioned MRPTs, subject to approval by the Members at the AGM. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business. Further, the Audit Committee has reviewed the certificate provided by the Managing Director and the Chief Financial Officer of the Company, as required under the RPT Industry Standards.

The shareholders of the Company had at the 41st AGM held on June 27, 2025, approved Material Related Party transactions of the Company with Honeywell International Inc. ("HII"), with Honeywell Measurex (Ireland) Limited ("HMIL"), and with Honeywell Middle East BV ("HMEBV") respectively, for FY 2025-26.

During FY 2026-27, the Company is proposed to enter into Material Related Party transactions with HII and HMIL. Details of the proposed MRPTs of the Company with HII and HMIL, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Master Circular for compliance with the provisions of the SEBI Listing Regulations, last updated on January 30, 2026, read with SEBI circular dated June 26, 2025 on the Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions", are as follows:

Minimum information to be provided to the Audit Committee and shareholders for approval of Related Party Transactions as per RPT Industry Standards

Part A: Minimum information of the proposed RPT

Sr. No.	Particulars of the information	Information provided by the management 5: Material Related Party Transactions of the Company with HII	6: Material Related Party Transactions of the Company with HMIL
A(1) Basic details of the related party			
1.	Name of the Related Party	Honeywell International Inc. ("HII")	Honeywell Measurex (Ireland) Limited ("HMIL")
2.	Country of Incorporation of the related party	HII is headquartered in Charlotte, US.	HMIL is based in Waterford, Ireland.
3.	Nature of business of the related party	The principal activity of the related party is providing actionable solution and innovation through aerospace technologies, building automation, industrial automation and process automation & technology.	The principal activity of the related party is the distribution of process control and safety management equipment.
A(2) Relationship and ownership of the related party			
1.	Relationship between the Company and the related party - including nature of its concern (financial or otherwise) and the following:	The Company is a subsidiary of HII. HII is the Ultimate Holding Company.	HMIL is a Fellow Subsidiary of the Company.
•	Shareholding of the Company, whether direct or indirect, in the related party.	Nil.	Nil.
•	Capital contribution, if any, made by the Company.	Not Applicable	Not Applicable
•	Shareholding of the related party, whether direct or indirect, in the Company	75%, through HAIL Mauritius Limited.	Nil.
A(3) Details of previous transactions with the related party			
1.	Total amount of all the transactions undertaken by the Company with the related party during the last financial year	Refer details in Note 1.	Refer details in Note 1.
2.	Total amount of all the transactions undertaken by the Company with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	The immediately preceding quarter being March 31, 2026, details of the actual transactions be referred from Note 1. The transactions entered into by the Company with the aforesaid Material Related Parties during April 1, 2026 till July 29, 2026 (AGM date) will be well within the threshold limits of Material Related Parties pursuant to the SEBI Listing Regulations.	
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the Company during the last financial year.	No	No

Sr. No.	Particulars of the information	Information provided by the management	
		5: Material Related Party Transactions of the Company with HII	**6: Material Related Party Transactions of the Company with HMIL**
A(4) Amount of the proposed transactions *(All types of transactions taken together)*			
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders	The Company and HII have entered into / propose to enter into the following RPTs during FY 2026-27, for an aggregate value not exceeding ₹9,500 million: • Purchase of goods / services • Sale of goods/services including reimbursement of expenses • Purchase/ sale of fixed assets in relation to engineering services and contract manufacturing. Refer para A(5).2 for transaction break-up.	The Company and HMIL have entered into / propose to enter into the following RPTs during FY 2026-27, for an aggregate value not exceeding ₹7,700 million: • Purchase of goods / services • Sale of goods/services including reimbursement of expenses • Purchase/ sale of fixed assets in relation to engineering services and contract manufacturing Refer para A(5).2 for transaction break-up.
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes	Yes
3.	Value of the proposed transactions as a percentage of the Company's annual consolidated turnover for the immediately preceding financial year.	• 22.7% (based on the Company's Turnover for FY2024-25). • 20.3% (based on the Company's Turnover for FY 2025-26).	• 18.4% (based on the Company's Turnover for FY2024-25). • 16.4% (based on the Company's Turnover for FY 2025-26).
		The Company does not have any subsidiaries, joint ventures and associates, as a result the Company is not required to prepare consolidated financial statements. Therefore, the percentages are based on the Company's standalone turnover.	
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the Company is not a party to the transaction)	Not Applicable.	Not Applicable.
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	0.3% (Based on consolidated turnover)	12.3% (Based on standalone turnover)

Sr. No.	Particulars of the information	Information provided by the management			
		5: Material Related Party Transactions of the Company with HII		**6: Material Related Party Transactions of the Company with HMIL**	
6.	Financial performance of the related party for the immediately preceding financial year: (In INR million)	Turnover	34,50,961	Turnover	62,827
		Profit After Tax	5,14,534	Profit After Tax	10,694
		Net worth	16,69,007	Net worth	54,089
		Note: The numbers are for the financial year 2024 being the latest audited period. Rate used for conversion is 1 USD = 89.64 INR.		Note: The numbers are for the financial year 2024 being the latest audited period. Rate used for conversion is 1 EUR = 105.25 INR.	
A(5) Basic details of proposed transactions to be approved					
1.	Specific type of the proposed transaction (e.g. sale of goods/service, purchase of goods/services, giving loan, borrowing etc.)	Particulars	Amount (INR million)	Particulars	Amount (INR million)
		Purchase of goods / services	2,900	Purchase of goods / services	7,500
		Sale of goods/ services including reimbursement of expenses	6,500	Sale of goods/ services including reimbursement of expenses	100
2.	Details of each type of the proposed transaction.	Purchase/ sale of fixed assets in relation to engineering services and contract manufacturing	100	Purchase/ sale of fixed assets in relation to engineering services and contract manufacturing	100
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year (April 1, 2026 to March 31, 2027)		1 year (April 1, 2026 to March 31, 2027)	
4.	Whether omnibus approval is being sought?	Yes		Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	Value of transactions for FY 2026-27 is ₹9,500 million. Approval of the Members is being sought for material RPTs for FY 2026-27.		Value of transactions for FY 2026-27 is ₹7,700 million. Approval of the Members is being sought for material RPTs for FY 2026-27.	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the Company.	The Company works closely with these entities to meet its business objectives. The Company has a range of transactions with these entities, including purchase and sale of goods and services in the ordinary course of business. The aforementioned transactions will not only help both the companies to smoothen business operations but will also ensure a consistent flow of desired quality and quantity of various facilities for uninterrupted operations and an increase in productivity. This in turn will contribute towards Honeywell group synergy and sustainability.			

Sr. No.	Particulars of the information	Information provided by the management	
		5: Material Related Party Transactions of the Company with HII	6: Material Related Party Transactions of the Company with HMIL
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the Company who have interest in the transaction, whether directly or indirectly.		
a.	Name of the director / KMP	None of the Directors or KMPs of the Company are Directors or KMPs of HII.	None of the Directors or KMPs of the Company are Directors or KMPs of HMIL
b.	Shareholding of the director / KMP, whether direct or indirect, in the related party	Nil. (Does not include shares vested in lieu of LTI compensation by Honeywell Directors).	Nil
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable	Not applicable
9.	Other information relevant for decision making.	• The amounts proposed for approval are based on the expected transaction volume in FY 2026-27. • Reference Note 1: Details of transactions entered into by the Company with the Related Parties during the last three Financial Years, the Company has not undertaken any transaction in the nature of sale/ purchase of fixed assets with HII and with HMIL. • The Company's contract manufacturing and engineering services (exports) businesses participate in the global Honeywell supply chain and workforce rationalization initiatives. Honeywell on global merits decides to move manufacturing / assembly / engineering services on merits of the receiving and sending site economics. As such it is likely that proprietary tools and jigs and machines move along with such transfers. In this process the Company lands up buying and selling fixed assets in the normal course of business. Valuation of such assets is generally in line with globally accepted principles of book value / arm's length price and the Company does not land up with residual risk of asset in case of such transfers outside India.	

Note 1: Details of transactions entered into by the Company with the Related Parties during the last three Financial Years:

(₹ in million)

Particulars	Honeywell International Inc.			Honeywell Measurex (Ireland) Limited		
	FY 2025-26	FY 2024-25	FY 2023-24	FY 2025-26	FY 2024-25	FY 2023-24
Sale of goods/ services including reimbursement of expenses	4,077	3,615	2,802	-	-	245
Purchase of goods/ services	2,082	2,235	1,341	5,018	5,052	4,068
Purchase/ Sale of fixed assets	-	-	-	-	-	-
Total	**6,159**	**5,850**	**4,143**	**5,018**	**5,052**	**4,313**

Part B: Additional Information

Sr. No.	Particulars of the information	Information provided by the management	
		5: Material Related Party Transactions of the Company with HII	6: Material Related Party Transactions of the Company with HMIL
B(1) Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances			
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services.	The transactions are not entered into via a bidding process. The Company's product portfolio relies on highly specialized, proprietary, or manufactured in designated Honeywell facilities, ensuring compliance with quality standards and access to unique technical expertise unavailable from external suppliers. This internal sourcing supports efficient global supply-chain planning, timely deliveries, and strong coordination with Honeywell's manufacturing and R&D ecosystem while safeguarding technical confidentiality and proprietary processes. Given the specialized nature of these materials, external competitive bids for these products are generally unfeasible.	
2.	Basis of determination of price	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. In the case of reimbursements / recoveries, same would be basis actual cost incurred.	
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:		
a.	Amount of trade advance	Not Applicable	Not Applicable
b.	Tenure	Not Applicable	Not Applicable
c.	Whether same is self-liquidating?	Not Applicable	Not Applicable

In accordance with the provisions of Regulation 23 of the SEBI Listing Regulations, consent of the members is sought for passing an Ordinary Resolution as set out at Item Nos. 5 and 6 respectively of the Notice for approval of MRPTs.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 and 6 respectively of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolutions.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve Ordinary Resolutions set forth at Item Nos. 5 and 6 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No. 7:

Ratification of Cost Auditor's Remuneration

The Company is required to have the audit of its cost records for specified products conducted by a cost accountant in practice under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014. The Board of Directors of the Company had at its meeting held on May 20, 2026, based on the recommendation of the Audit Committee, approved appointment of M/s CS Adawadkar & Co., Cost Accountants (Firm Registration No. 100401) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company pertaining to various products covered under cost audit for the Financial Year commencing on April 1, 2026 and ending on March 31, 2027 at a remuneration of ₹7,00,000/- (Rupees Seven Lakh Only) plus applicable taxes and re-imbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors must be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2027.

The Board recommends the Ordinary Resolution set out at Item No. 7 for the approval of Members.

None of the Directors or other Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this Resolution.

ANNEXURE-1 TO THE AGM NOTICE

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE AGM

Pursuant to Regulation 36 of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings

Name of the Director	Mr. Ashish Kumar Modi
Director Identification Number (DIN)	07680512
Date of Birth / Age	May 23, 1979 / 47 years
Date of appointment on the Board	October 22, 2019
Educational Qualification	B.E. in Mechanical Engineering from the National Institute of Technology in Trichy, India. M.S. in Mechanical Engineering from Rensselaer Polytechnic Institute in New York. MBA in Finance from The Wharton School, University of Pennsylvania.
Experience (including expertise in specific functional areas) / Brief Resume	Mr. Ashish Kumar Modi is the President for Honeywell India and APAC and is responsible for driving Honeywell's strategic priorities in the region. Mr. Ashish Kumar Modi has over 20 years of experience and has served in various leadership roles at Honeywell including VP & GM for Building Automation, Asia region, Chief Operating Officer, Honeywell Connected Plant, Global VP&GM, Advanced Solutions business and GM, Lifecycle Solutions & Services business in India and APAC. Before joining Honeywell, Mr. Ashish Kumar Modi was with McKinsey & Co.
Directorships held in other companies	Honeywell Hometown Solutions India Foundation
Memberships/Chairmanships of committees across all public limited companies	Honeywell Automation India Limited: • Stakeholders Relationship Committee – Chairman • Nomination & Remuneration Committee – Member • Corporate Social Responsibility Committee – Member • Risk Management Committee - Member
Relationship with other Directors/ Manager / Key Managerial Personnel	Not related to any Director/Key Managerial Personnel of the Company
Shareholding in the Company	NIL
Board Meetings attended during FY 2025-26	4/4
Terms and Conditions of appointment	As per Ordinary Resolution set forth at Item No. 3 of this Notice.
Name of the listed entities from which the person has resigned in the past three years	Nil.
Information as required under Circular No. LIST/COMP/14/2018-19 and NSE/ CML/2018/02	Mr. Ashish Kumar Modi is not debarred from holding the office of a director by virtue of any SEBI Order or any other such authority.

For other details such as number of meetings of the Committees attended during the year; remuneration last drawn and sought to be paid, please refer to the Corporate Governance Report which forms part of this Annual Report.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of 'Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. FOR INDIVIDUAL MEMBERS HOLDING SHARES IN DEMAT MODE

A1. For Individual Members holding shares in demat mode with NSDL

For OTP based login:

- Click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp.
- Enter your 8-digit DP ID, 8-digit Client ID, PAN, Verification code and generate OTP.
- Enter the OTP received on registered email id/ mobile number and click on login. You will be able to see the e-Voting page.
- Click on 'evote' link available against 'Honeywell Automation India Limited' or 'e-Voting service provider – NSDL'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM

For existing NSDL 'IDeAS' users, the login process is as under:

- Visit the e-Services website of NSDL at https:// eservices.nsdl.com.
- Click on 'Beneficial Owner' tab under 'IDeAS' section.
- Enter your User ID, Password and the verification code as shown on the screen.
- After OTP based authentication and log in, click on 'Access to e-Voting' under 'Value Added Services' and you will be able to see the e-Voting page.
- Click on 'evote' link available against 'Honeywell Automation India Limited' or 'e-Voting service provider – NSDL'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

Individual Members who have not registered for NSDL 'IDeAS' facility and wish to register for the same, may do so by either using the URL: https://eservices.nsdl.com and selecting 'Register Online for IDeAS' or by using the URL: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Alternatively, a Member can directly access e-Voting page of NSDL, by following the below-mentioned steps:

- Visit the e-Voting website of NSDL at https://www.evoting.nsdl.com/
- Click on 'Login' tab under 'Shareholder/Member' section.
- Enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), password / OTP and the verification code as shown on the screen and agree to the terms and conditions by clicking the box.
- After successful authentication, you will be redirected to NSDL Depository website wherein you can see e-Voting page.
- Click on 'evote' link available against 'Honeywell Automation India Limited' or 'e-Voting service provider – NSDL'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

Members may also download NSDL's Mobile App 'NSDL Speede' by scanning the following QR code, for e-Voting:

App Store | Google Play

A2. For Individual Members holding shares in demat mode with CDSL

For existing CDSL 'Easi' / 'Easiest' users, the login process is as under:

- Visit the CDSL website at www.cdslindia.com. Click on 'Login' icon using the Option 'My Easi New (Token)'. Alternatively, use the URL: https://web.cdslindia.com/myeasitoken/home/login
- Enter your User ID and Password.

- After OTP based authentication and log in, you will be able to view the e-voting menu.
- Click on 'evote' link available against 'Honeywell Automation India Limited' or 'e-Voting service provider – NSDL'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

Individual Members who have not registered for 'Easi'/'Easiest' services and wish to register for the same, may do so by visiting CDSL's website at www.cdslindia.com. On the home page, click on 'Login' icon using the Option 'My Easi New (Token)' and then click on registration option.

Alternatively, a member can directly access e-Voting page of CDSL, by following the steps mentioned below:

- Visit the CDSL website at www.cdslindia.com
- Click on 'evoting'.
- Enter your Demat account number and PAN.
- After the OTP based authentication and login, you will be redirected to NSDL Depository website wherein you can see e-Voting page.
- Click on 'evote' link available against 'Honeywell Automation India Limited' or 'e-Voting service provider – NSDL'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

A3. For Individual Members holding shares in demat mode and login through their depository participants

Please follow below steps:

- Login to your demat account, using the login credentials, through the concerned Depository Participant registered with NSDL / CDSL.
- Click on the option available for 'e-voting'.
- You will be re-directed to NSDL e-services website wherein you will be able to see the e-voting page.
- Click on 'evote' link available against 'Honeywell Automation India Limited' or 'e-Voting service provider – NSDL'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

Note: Members who are unable to retrieve their User ID or Password are advised to use 'Forgot User ID' / 'Forgot Password' option(s) available on the websites of the respective Depositories / Depository Participants.

B. FOR NON-INDIVIDUAL MEMBERS HOLDING SHARES IN DEMAT MODE AND MEMBERS HOLDING SHARES IN PHYSICAL MODE

B1. For Non-Individual Members holding shares in demat mode and registered for NSDL 'IDeAS'

If you are registered for NSDL IDeAS, you can login at https://eservices.nsdl.com/ with your existing IDeAS login. Once you login to NSDL eservices after using your login credentials, click on e-Voting and you can proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

B2. For other Members, including Members holding shares in physical mode

Please follow below steps:

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/
- Click on 'Login' available under 'Shareholder/ Member' section.
- Enter your User ID, Password/OTP and a Verification Code as shown on the screen.
- Your User ID details are given below:
  - For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
  - For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID. For example, if your Beneficiary ID is 12************** then your user ID is 12**************
  - For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 139844 then user ID is 139844001***
- Password details for shareholders other than Individual shareholders are given below:
  - If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial

password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on 'Login'.
- Proceed to Step 2 to cast your vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM.

Note: How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:

- Click on 'Forgot User Details/Password?' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User 'Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

Step 2: Cast your vote electronically and join the AGM virtually on NSDL e-Voting system.

- After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and AGM is in active status.
- Select 'EVEN' of Honeywell Automation India Limited i.e., 139844 to cast your vote during the remote e-Voting period or casting your vote during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
- Upon confirmation, the message 'Vote cast successfully' will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the Resolutions, you will not be allowed to modify your vote.

General Guidelines for shareholders to vote electronically during the remote e-Voting period or joining the AGM virtually & e-voting during the AGM

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. to the Scrutinizer by email to amruta@bokilandpunde.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- Members are encouraged to join the Meeting through Laptops for better experience. Further, Members will be required to allow Camera and use Internet with a good

speed to avoid any disturbance during the meeting. It is recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of network glitches.

- Any person holding shares in physical form and nonindividual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date may obtain the login ID and password by sending a request at evoting@nsdl.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details | Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system."
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com. Individual Shareholders holding securities in demat mode with NSDL may contact NSDL Helpdesk by sending a request at evoting@nsdl.com or call on: 022 - 4886 7000 / 022 - 2499 7000. Individual Shareholders holding securities in demat mode with CDSL may contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com.

Registration as speaker shareholder:

- Members are encouraged to submit their questions with regard to the financial statements or any other matter to be placed at the 42nd AGM from their registered e-mail address, mentioning their name, DP ID and Client ID/Folio No. and mobile no. in advance at HAIL.InvestorServices@Honeywell.com on or before 5.00 p.m. (IST) on Wednesday, July 22, 2026. Such questions by the Members shall be suitably replied to by the Company during the AGM.
- Members who would like to express their views/ ask questions as a speaker at the Meeting may preregister themselves by sending a request from their registered e-mail address mentioning their Name, DP ID and Client ID/Folio No., PAN and Mobile No. at HAIL.InvestorServices@Honeywell.com on or before 5.00 p.m. (IST) on Wednesday, July 22, 2026.
- Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Directors' Report

Dear Members,

The Directors hereby present the 42nd Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2026.

Financial Performance

Key highlights of financial performance of the Company for the Financial Year 2025-26 are provided below:

(₹ in millions)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year on Year Change
Sales & Other Income	48,609	43,717	4,892
Operating profit	7,845	7,667	178
Less: Finance Cost	97	67	30
Less: Depreciation	537	544	(7)
Less: Exceptional Item	123	-	123
Profit before tax for the year	7,088	7,056	32
Less: Income tax and deferred tax expenses	1,838	1,820	18
Profit after tax for the year	5,250	5,236	14
Profit brought forward from the previous year *	38,087	33,784	4,303
Profit available for appropriations *	43,346	38,971	4,375
Dividend	928	884	44
Balance carried forward	42,418	38,087	4,331

* Includes OCI on remeasurements of the defined benefit plans.

Sales and Other Income registered an increase of 11.2%, Profit before tax is 15.1% of revenue from operations as compared to 16.8% in the previous year. Exports revenue increased over previous year by 5.1%.

DIVIDEND

The Board, at its meeting held on May 20, 2026, has recommended payment of final dividend at ₹110/- per equity share, i.e. at the rate of 1,100 % of the face value of ₹10/- each for FY 2025-26. (Previous Year: ₹105/- per equity share). The dividend, if approved by the Members at the ensuing Annual General Meeting, will result in a total cash pay-out of ₹973 Million. The Company is in compliance with its Dividend Distribution Policy as approved by the Board.

The closing balance of the retained earnings of the Company for FY 2025-26, after all appropriation and adjustments was ₹42,418 Million. Pursuant to Section 134 (3)(j) of the Act, there is no amount to be transferred to reserves during the period under review.

OPERATIONS

The Management Discussion and Analysis annexed herewith provides full details of operational performance and business analysis of the Company.

INDUSTRY OUTLOOK

The details regarding Industry Outlook are given in the Management Discussion and Analysis, which forms a part of this Annual Report.

HONEYWELL ACCELERATOR

Honeywell Accelerator is the Company's best-in-class operating system. The content is Honeywell-specific and it offers a framework and toolkit that enables us to get work done faster and smarter, and helps achieving the best business practices as listed below:

- Revitalizing our Operating System to drive a sustainable advantage.
- Revitalized operating system for how we manage and govern the business.
- Includes employee resources like standard tools, processes and playbooks.
- Removes barriers to execution and improves speed.
- Areas of benefits include innovation and product development, integrated supply chain, customer service

and satisfaction, M&A integration, achievement of financial and ESG objectives and talent development.

- Accelerator content also enhances digital acumen and career development.

HUMAN RESOURCES

The Company believes in the immense potential of its human capital and acknowledges that employees are the core growth engine for the Company. The Company is committed to creating an inclusive, performance oriented and entrepreneurial culture that allows it to bring the best out of every individual and team. The Company is committed to creating an equal opportunity workplace, which promotes openness and diversity. The Company has a strong employee value proposition that focuses on challenging work that matters, hiring and retaining the right people, sustained focus on talent and leadership development, differentiated rewards to drive exceptional performance and community engagement.

The Company deploys a Labour and Employment Relations framework which elicits feedback in our factory and supports action planning to drive engagement at all levels in the organisation.

As on March 31, 2026, the Company's employee strength (full-time employees) was 3,167 as compared to 3,140 as on March 31, 2025. Women employees represent 18.8% of the workforce.

DIRECTORS, KMP AND SMP

As on March 31, 2026, the Board comprises of:

1. Dr. Ganesh Natarajan (DIN: 00176393), Independent Director and Chairman (Non-Executive) - Board
2. Ms. Neera Saggi (DIN: 00501029), Independent Director
3. Mr. Atul Vinayak Pai (DIN: 02704506), Managing Director
4. Mr. Ashish Kumar Modi (DIN: 07680512), Non-Executive Director
5. Mr. Robert David Mailloux (DIN: 10859792), Non-Executive Director
6. Mr. Jake Morgan Wasserman (DIN: 11364789), Non-Executive Director.

The following changes have taken place in the composition of the Board and the KMP during the year under review:

- Resignation of Mr. Pedro Thena Garrote (DIN: 10741347), Non-Executive Director of the Company from the directorship of the Company with effect from November 5, 2025.
- Appointment of Mr. Jake Morgan Wasserman (DIN: 11364789) as an Additional Director (Non-Executive) of the Company with effect from November 5, 2025. His appointment as a Non-Executive Director of the Company was approved by the Shareholders by way of Postal Ballot, results of which were declared on January 30, 2026.
- Re-appointment of Dr. Ganesh Natarajan (DIN:00176393) as an Independent Director of the Company, not liable to retirement by rotation, to hold office for the second term of 3 (three) consecutive years on the Board of the Company commencing from March 8, 2026 up to March 7, 2029 (both days inclusive) was approved by the Shareholders by way of Postal Ballot, results of which were declared on January 30, 2026.
- Resignation of Mr. Pulkit Goyal as the Chief Financial Officer of the Company and Key Managerial Personnel under the Companies Act, 2013, with effect from May 21, 2026.

The Board places on record its appreciation of the valuable contribution made by Mr. Pedro Thena Garrote and Mr. Pulkit Goyal during their respective tenure with the Company.

No changes have taken place in the composition of KMP of the Company during the year under review. Mr. Atul Vinayak Pai (DIN: 02704506), Managing Director, Mr. Pulkit Goyal, Chief Financial Officer and Ms. Indu Daryani (FCS No. F9059), Company Secretary are the Key Managerial Personnel of the Company, pursuant to the provisions of Section 2(51) and Section 203 the Act, as on March 31, 2026 and as on the date of this Report.

At the Board Meeting held on May 20, 2026, the Board approved appointment of Mr. Satish Kumar Agarwal as the Chief Financial Officer of the Company and Key Managerial Personnel under the Companies Act, 2013 with effect from June 1, 2026.

As per the provisions of the Act, Mr. Ashish Kumar Modi (DIN: 07680512) retires by rotation at the forthcoming AGM, and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The Board is of the opinion that the Independent Directors of the Company have fulfilled the conditions as specified in the SEBI Listing Regulations, are independent of the management, possess requisite qualifications, experience and expertise in the fields of industry knowledge, board governance, financials, strategy, leadership and they hold highest standards of integrity.

Details of SMP is provided in the Corporate Governance Report, which forms part of this Annual Report.

BOARD MEETINGS

During the Financial Year 2025-26, the Board duly met four times on (i) May 13, 2025, (ii) August 1, 2025, (iii) November 5, 2025, and (iv) February 2, 2026. The intervening period between two Board meetings was well within the maximum gap of 120 days as prescribed under the provisions of the Act.

Details of attendance at the Board Meetings is provided in the Corporate Governance Report, which forms part of this Annual Report.

COMMITTEES OF THE BOARD

The Board has the following statutory committees as per the requirements of the SEBI Listing Regulations and the Act:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee

Details of terms of reference of the Committees, Committee membership and attendance at meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from the Independent Directors as required under Section 149(7) of the Act, that he/she meets the criteria of Independence laid down under Section 149(6) of the Act and Regulation 25 of the SEBI Listing Regulations.

BOARD EVALUATION

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance, its committees, as well as the Directors individually. The outcome of the Board evaluation was discussed by the NRC and the Board on February 2, 2026. Details regarding process and criteria for evaluation are given in the Report on Corporate Governance, which forms a part of this Annual Report.

CODE OF CONDUCT COMPLIANCE

The declaration signed by the Managing Director affirming compliance with the Code of Conduct by Directors and Senior Management, for the Financial Year ended March 31, 2026, is given in Report on Corporate Governance, which forms a part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on CSR activities, as required under Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure-1 to the Directors' Report. A copy of the CSR Policy is available on the Company's website at https://www.honeywell.com/in/en/hail#policies. A copy of the Impact Assessment Report is available on the Company's website at https://www.honeywell.com/in/en/hail#agm-egm-postalballot

AUDITORS

Statutory Audit

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) were appointed as the Statutory Auditors for a period of 5 years at the 41st AGM of the Company held on June 27, 2025 to hold office from the conclusion of the 41st AGM up to the conclusion of the 46th AGM to be held in the year 2030 of the Company on such remuneration as was approved by the shareholders at the 41st AGM, re-produced below:

Particulars	Proposed per annum* FY 2025-26 to FY 2029-30
Statutory Audit Fees and Limited Review Fees	₹ 64,50,000 (plus applicable taxes)

* Subject to addition or reduction upto 10% with prior approval of Audit Committee and Board.

Further, in addition to the above, the Statutory Auditors are also entitled to fees for others service like Audit of Internal Financial Controls, Tax Audit and Certificates etc. subject to prior approval of Audit Committee and Board.

Statutory Auditors' Report

There are no qualifications, reservations or adverse remarks made by Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), Statutory Auditors, in their report for the Financial Year ended March 31, 2026. The Notes on financial statements referred to in the Auditors' Report are self-explanatory.

Pursuant to provisions of Section 143 (12) of the Act, the Statutory Auditors have not reported any incident of fraud to the Audit Committee during the year under review.

Cost Audit

In terms of the provisions of Section 148 and other applicable provisions of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, Cost Audit is applicable to the Company for the Financial Year 2025-26.

The Company has maintained the cost accounts and records as specified by the Central Government under sub-section (1) of section 148 of the Act for the Financial Year ended March 31, 2026. The Cost Auditors have not reported any incident of fraud for the year under review.

The Board at its meeting held on May 20, 2026, based on the recommendation of the Audit Committee, appointed C S Adawadkar & Co. (Firm Registration No. 100401) as the Cost Auditors of the Company for the Financial Year ending March 31, 2027, at a remuneration of ₹7,00,000/- plus GST and reimbursement of out-of-pocket expenses. An Ordinary Resolution proposing ratification of Cost Auditor's remuneration for FY 2026-27 forms part of the Notice of the 42nd AGM of the Company.

Secretarial Audit

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, J B Bhave & Co, Practicing Company Secretaries, Peer Reviewed Company Secretary (bearing Unique Identification No. S1999MH025400) were appointed as the Secretarial Auditors of the Company at the 41st AGM of the Company held on June 27, 2025, for a term of 5 (Five) consecutive years from FY 2025-26 till FY 2029-30.

The report of the Secretarial Auditors for FY 2025-26 is enclosed as Annexure-2 to the Directors' Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The Secretarial Auditors have not reported any incident of fraud for the year under review.

RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are enclosed herewith as Annexure-3 to the Directors' Report.

RISK MANAGEMENT

The Company has an Enterprise Risk Management framework administered by the Risk Management Committee to develop, implement and monitor the effectiveness of risk management processes for the Company. The structured framework enables identification, assessment, monitoring and mitigation of strategic, operational, compliance, financial, reputation, technology & data and ESG risks that are key to achieving our business objectives.

To ensure a comprehensive approach, Risks are identified, evaluated and prioritized based on their likelihood of occurrence and severity of business impact.

Major risks identified by the businesses and functions are systematically addressed through mitigation plan and governance and reviewed by the Risk Management Committee and Audit Committee/Board.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In line with requirement under Section 177(9) and (10) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has established a whistle blower/vigil mechanism for its employees and Directors to report their genuine concerns. The details of the same are provided in the Corporate Governance Report.

INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

HOLDING COMPANY

The Company is a subsidiary of HAIL Mauritius Limited, the ultimate holding Company being Honeywell International Inc. USA. The Company does not have any Joint Venture(s) or Associate Company(ies) or Subsidiary Company(ies).

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

As required under Section 124 of the Act, the unclaimed dividend lying with the Company for a period of seven years pertaining to the Financial Year 2017-18 amounting to ₹5,73,760/- was transferred during the Financial Year 2025-26 to the Investor Education and Protection Fund established by the Central Government. Members who have not encashed the dividend warrant(s) so far for the period ended March 31, 2019 or any subsequent financial years are requested to make their claim. 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.

PARTICULARS OF EMPLOYEES

A statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as Annexure-6 to the Directors' Report. As per the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the members excluding the aforesaid Annexure. The said information will be open for inspection electronically upon request by the Members during the AGM. Any member interested in obtaining such information may write to the Company Secretary at HAIL.InvestorServices@Honeywell.com.

The ratio of the remuneration of each Director to the median employee's remuneration and other details prescribed in Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in Annexure-4 to the Directors' Report.

The Nomination and Remuneration Policy of the Company is available on the website of the Company at https://www.honeywell.com/in/en/hail#policies.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company respects and values diversity reflected in various backgrounds, experiences and ideas and is committed to providing employees with a workplace that is free from discrimination or harassment. The Company has adopted a policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Every employee is required to complete mandatory online training on Prevention of Sexual Harassment at Workplace.

The Company has Internal Complaints Committees established in accordance with the aforesaid Act for addressing sexual harassment incidents.

One complaint on sexual harassment was received by the Company during the Financial Year under review. The same was pending resolution as at the end of the Financial Year ended March 31, 2026. The said complaint was investigated by the Internal Complaints Committee, and necessary actions have been taken by the management. The matter has been resolved as on the date of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any loans, guarantees or investments during the year under review, pursuant to the provisions of Section 186 of the Act.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the Report.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders during the Financial Year ended March 31, 2026 passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet in accordance with the Act read with Companies (Acceptance of Deposits) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE

Information required under Section 134 of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings/outgo is included in Annexure-5 to the Directors' Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis pursuant to the SEBI Listing Regulations are annexed and form part of the Annual Report.

ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of the Companies Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company at https://www.honeywell.com/in/en/hail#agm-egm-postal-ballot.

CORPORATE GOVERNANCE REPORT

The Company believes in adopting best practices of corporate governance.

As per Regulation 34 of the SEBI Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from M/s Bokil Punde & Associates, Company Secretaries, on compliance with corporate governance norms under the SEBI Listing Regulations, is provided in Corporate Governance Report which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Section 134(3)(c) and Section 134(5) of the Act, Directors make the following statements:

a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2026, and of the profit for the year April 1, 2025 to March 31, 2026.

c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d. The Directors have prepared the annual accounts on a going concern basis.

e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors confirm that the Secretarial Standards issued by the Institute of Companies Secretaries of India, as applicable to the Company, have been duly complied with.

DIVIDEND DISTRIBUTION POLICY

In compliance with Regulation 43A of the SEBI Listing Regulations, the Company has formulated Dividend Distribution Policy and the same is available on the Company's website at https://www.honeywell.com/in/en/hail#policies.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with the provisions of Regulation 34 (2) (f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) forms part of this Annual Report.

In terms of the SEBI Listing Regulations, the Company has obtained BRSR Reasonable assessment on BRSR Core Indicators from MMJC Consultancy LLP, Mumbai, which forms part of the Annual Report and is also made available on the website of the Company at https://www.honeywell.com/in/en/hail#agm-egm-postal-ballot.

GENERAL DISCLOSURES

The Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.

b. Issue of Equity Shares (including Sweat Equity Shares) to employees of the Company under any scheme.

c. The Company has not resorted to any buy back of its equity shares during the year under review.

d. The Company does not have any subsidiaries. Hence, neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission during the year from any of its subsidiaries.

e. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

f. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the Financial Year is not applicable.

g. There has been no change in the nature of business of the Company.

ACKNOWLEDGMENT

The Board would like to place on record its appreciation and thanks to all its employees for their contribution. The Board wishes to acknowledge the support it has received from its shareholders, investors, customers, vendors, regulatory authorities and bankers.

For and on behalf of the Board
Dr. Ganesh Natarajan
Independent Director and
Chairman (Non-Executive) - Board
DIN: 00176393
Pune, May 20, 2026

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

ANNEXURE-1 TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline on CSR Policy of the Company**

   The CSR Committee formulates and recommends to the Board an Annual Action Plan in pursuance of the Company's CSR Policy. The Company's CSR efforts are being deployed through Honeywell Hometown Solutions India Foundation (HHSIF) in 3 critical areas: (i) Education, Upskilling and Research; (ii) Holistic & Sustainable Community Development and (iii) Humanitarian Relief. The Company has supported following initiatives of HHSIF:

   - **IITB-Honeywell COE for Future Skills & Innovation–** A sustainability-driven Centre of Excellence at IIT Bombay, the initiative focuses on building skills and fostering innovation to drive social and environmental impact. Initiated in FY25-26, the project aims to upskill 1lakh+ students in Sustainability Skills by 2030. In its first year of implementation, Honeywell has reached out to 1000 colleges & successfully initiated pilot training for 364 students.
   - **Honeywell Future Skills Edge-** The project aims to enhance employability of youth through capacity building around future skills such as AI & Cybersecurity. Initiated in FY25-26, the project aims to upskill 2lakh+ students in AI & Cybersecurity by 2029. The project has reached 28,000+ students through the digital platform for training with 864 students having completed the skills training by March 2026.
   - **Holistic Community Development-** The project drives sustainable development by providing community-centric solutions across four key areas i.e. Water & Sanitation, Clean Energy, Education, Environmental Sustainability and Economic Development (livelihood), impacting 4000+ community members.
   - **Plant the Future Campaign–** Initiated in FY2022-23, Honeywell planted approximately 2.4 lakh saplings across Pune, Bangalore, and Mumbai, with a commitment to maintain them for three years. With the grant committed in FY2025-26, we extended maintenance support to ensure the continued care of these plantation sites, thereby strengthening green cover, fostering biodiversity, and creating resilient ecosystems.

   HAIL's Contribution to HHSIF CSR Budget: (i) IITB-Honeywell COE for Future Skills & Innovation – 66%; ii) Honeywell Future Skills Edge – 100%; (iii) Holistic Rural Development program – 86%, (iv) Plant the Future Campaign – 15.9%.

2. **Composition of the CSR Committee as on March 31, 2026**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during FY 2025-26	Number of meetings of CSR Committee attended during FY 2025-26
i.	Mr. Atul Vinayak Pai	Committee Chairman/ Non-Executive Director	2	2
ii.	Ms. Neera Saggi	Committee Member/ Independent Director	2	2
iii.	Mr. Ashish Kumar Modi	Committee Member/ Non-Executive Director	2	2

3. **Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   CSR Policy- https://www.honeywell.com/in/en/hail#policies

   CSR Committee- https://www.honeywell.com/in/en/hail#board-of-directors

   CSR Project- https://www.honeywell.com./in/en/csr

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.**

   Independent Impact assessment was done for the eligible CSR projects by Impact assessment agencies, being (i) Honeywell Centre for Advancing Girls in Science, (ii) Holistic Rural Development and (iii) Strengthening Rural Healthcare - PHC Upgradation Program.

   A copy of the Impact Assessment Reports (including the executive summary) is available on the Company's website at https://www.honeywell.com/in/en/hail#agm-egm-postalballot

5. **(a) Average net profit of the company as per sub-section (5) of section 135:** ₹6,484 million
   (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹130 million
   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
   (d) Amount required to be set-off for the financial year, if any: Nil
   (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹130 million

6. **(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹122.41 million
   (b) Amount spent in Administrative Overheads: ₹7.27 million
   (c) Amount spent on Impact Assessment, if applicable: Nil
   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹129.68 million
   (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in millions)	Amount Unspent (₹ in million)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
122.41	Nil	NA	NA	Nil	NA

   (f) Excess amount for set-off, if any:

Sl. No. (1)	Particular (2)	Amount (₹ in million) (3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	129.68
(ii)	Total amount spent for the Financial Year	129.68
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (₹ in million)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in million)	Amount Spent in the Financial Year (₹ in million)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in million)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY 2024-25	Nil	Nil	Nil	Not Applicable		Nil	Not Applicable
2	FY 2023-24	Nil	Nil	Nil	Not applicable		Nil	Not Applicable
3	FY 2022-23	4	Nil	4	Not applicable		Nil	Not Applicable

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

For and on behalf of the Board

Atul Vinayak Pai
Managing Director & Chairman, CSR Committee
DIN: 02704506
Pune, May 20, 2026

ANNEXURE-2 TO THE DIRECTORS' REPORT

FORM NO. MR-3

Secretarial Audit Report for the Financial Year ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
HONEYWELL AUTOMATION INDIA LIMITED
56 & 57, Hadapsar Industrial Estate,
Pune- 411013, Maharashtra, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Honeywell Automation India Limited** (CIN: L29299PN1984PLC017951) (Hereinafter called 'the Company').

Secretarial Audit was conducted for the financial year 2025-26, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the applicable provisions of the following list of laws and regulations:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

   i. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   ii. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   iii. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   iv. SEBI (Buyback of Securities) Regulations, 2018; **[Not applicable during the Audit Period]**

   v. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[Not applicable during the Audit Period]**

   vi. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the Audit Period]**

   vii. SEBI (Prohibition of Insider Trading) Regulations, 2015;

   viii. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

   ix. SEBI (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the Audit Period]**

   x. SEBI (Depositories and Participants) Regulations, 2018.

   and circulars/ guidelines issued thereunder;

(vi) Other Applicable Laws: As informed by the Management, no other laws are applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

   (i) Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI").

   (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board and Committee meetings, agenda and detailed notes on agenda are sent at least seven days in advance/at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All the decisions of the Board were passed with unanimous consent of all the Directors present in the meeting and are recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that during the audit period:

1. Following Special Businesses were transacted in the 41st Annual General Meeting held on June 27, 2025:

Sr. No.	Particulars	Type of Resolution
1.	Commission payable to Dr. Ganesh Natarajan (DIN: 00176393), Independent Director, Non-Executive Chairman - Board.	Special Resolution
2.	Material Related Party Transactions of the Company with Honeywell International Inc., Ultimate Holding Company	Ordinary Resolution
3.	Material Related Party Transactions of the Company with Honeywell Measurex (Ireland) Limited, a fellow subsidiary of the Company	Ordinary Resolution
4.	Material Related Party Transactions of the Company with Honeywell Middle East BV, a fellow subsidiary of the Company	Ordinary Resolution
5.	Appointment of J. B. Bhave & Co., Company Secretaries, as the Secretarial Auditors of the Company	Ordinary Resolution
6.	Ratification of Cost Auditor's Remuneration	Ordinary Resolution

2. The changes in the Board structure/Senior Management Personnel (SMP) are detailed as follows:

Sr. No.	Particulars	Designation	Effective Date	Approval of Shareholders
1.	Appointment of Mr. Shailesh Garbhe	Director Program Management - HPS PAS Business as SMP	May 13, 2025	Not Applicable
2.	Resignation of Mr. Ritwij Kulkarni	Regional general Manager - Industrial Automation as SMP	May 13, 2025	Not Applicable
3.	Resignation of Mr. Girish Dharachar	General Manager - India Install Cust/Prod Sup as SMP	May 13, 2025	Not Applicable
4.	Resignation of Mr. Deepak Goyal	Information Technology	May 14, 2025	Not Applicable
5.	Resignation of Mr. Pedro Thena Garrote (DIN: 10741347)	Non-Executive Non-Independent Director	November 5, 2025	Not Applicable
6.	Appointment of Mr. Jake Morgan Wasserman (DIN: 11364789)	Non-Executive Non-Independent Additional Director	November 5, 2025	Approval of shareholder taken via Postal Ballot dated January 30, 2026
7.	Re-appointment of Dr. Ganesh Natarajan (DIN:00176393)	Non-Executive Independent Director	March 8, 2026	Approval of shareholder taken via Postal Ballot dated January 30, 2026

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 7781/2026
UDIN: F004266H000397010
Date: May 20, 2026
Place: Pune

ANNEXURE TO THE SECRETARIAL AUDIT REPORT HONEYWELL AUTOMATION INDIA LIMITED AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4) I wish to state as under-

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 7781/2026
UDIN: F004266H000397010
Date: May 20, 2026
Place: Pune

ANNEXURE-3 TO THE DIRECTORS' REPORT

Form No. AOC-2:

Particulars of contracts/arrangements made with Related Parties for the Financial Year ended March 31, 2026

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to Section 188(1) of the Act including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements of transactions entered into during the financial year ended March 31, 2026, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

(₹ in million)

Name of the Related Party	Nature of relationship	Nature of Contract/ Arrangement / Transaction	Duration of Contract/ Arrangement / Transaction	Salient terms	Amount
Honeywell International Inc.	Ultimate Holding company	Sale of goods/ services including reimbursement of expenses	Ongoing	In the ordinary course of business and based on purchase orders / agreements	4,077
		Purchase of goods/ services	Ongoing		2,082
		Purchase/ Sale of fixed assets	Ongoing		-
Honeywell Measurex (Ireland) Ltd.	Fellow Subsidiary	Sale of goods/ services including reimbursement of expenses	Ongoing	In the ordinary course of business and based on purchase orders / agreements	-
		Purchase of goods/ services	Ongoing		5,018
		Purchase/ Sale of fixed assets	Ongoing		-
Honeywell Middle East B.V.	Fellow Subsidiary	Sale of goods/ services including reimbursement of expenses	Ongoing	In the ordinary course of business and based on purchase orders / agreements	3,848
		Purchase of goods/ services	Ongoing		-
		Purchase/ Sale of fixed assets	Ongoing		-

Appropriate approvals have been taken for related party transactions. Advances paid, have been adjusted against billings wherever applicable.

For and on behalf of the Board

Dr. Ganesh Natarajan
Independent Director and Chairman (Non-Executive) - Board
DIN: 00176393
Pune, May 20, 2026

ANNEXURE - 4 TO THE DIRECTORS' REPORT

Statement of Disclosure of Remuneration

Information as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) Remuneration disclosures for Executive Directors and Key Managerial Personnel for the financial year ended March 31, 2026

Name	Designation	Ratio of remuneration to median remuneration of employees	Percentage increase in remuneration
Mr. Atul Vinayak Pai	Managing Director	19:1	10.0%
Mr. Pulkit Goyal	Chief Financial Officer	15:1	8.0%
Ms. Indu Daryani	Company Secretary	3:1	11.2%

(b) Remuneration disclosures for Independent Directors for the financial year ended March 31, 2026

(₹ in millions)

Name	Designation	Sitting Fees Paid	Commission Payable	Total Remuneration
Dr. Ganesh Natarajan	Independent Director and Chairman (Non-Executive) - Board	0.60	3.25	3.85
Ms. Neera Saggi	Independent Director	0.68	3.15	3.83

(c) Other details:

- Independent Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Shareholders. As a policy, the Non-Executive Non-Independent Directors are neither paid sitting fee nor paid any commission.
- There were 3,167 permanent employees on the rolls of Company as on March 31, 2026.
- There is increase of 10.13% (including merit and mid-year progressions / adjustments) in the median remuneration of employees.
- Average percentage increase in salaries (including merit and mid-year progressions / adjustments) of employees other than KMPs was 8.62%. The average increase in the remuneration of KMPs was 10%.
- The remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Dr. Ganesh Natarajan
Independent Director and Chairman (Non-Executive) - Board
DIN: 00176393
Pune, May 20, 2026

ANNEXURE-5 TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A) Conservation of Energy

The Company is dedicated to promoting energy conservation through several strategic initiatives, including technological enhancements, the adoption of best operational practices, and the implementation of cost-effective solutions.

Our facility consistently realizes ongoing energy savings due to previously implemented projects, such as the Intelligent Building Optimizer and the replacement of the capacitor bank. Additionally, we have put in place several low-cost and no-cost measures that further contribute to our energy savings efforts. These initiatives collectively support our commitment to energy efficiency and sustainability.

B) Technology Absorption

Forge - PDM

The **Forge - Predictive Maintenance (PDM)** is a solution developed by Honeywell for the digital monitoring of assets, currently implemented at Hadapsar. This solution provides real-time digital monitoring of asset performance.

Utilizing the collected data, the system analyses various parameters to predict potential asset failures before they occur. The PDM solution enhances operational efficiency by providing timely service alerts, minimizing unplanned equipment downtime, and facilitating effective capital planning.

Renewable Energy Integration

The organization previously signed two third-party Power Purchase Agreements (PPAs) and has established an additional PPA for a 530 kWp onsite solar plant for FY 2025-26. The full fledge operation started from April 2025.

The organization remains committed to enhancing its renewable energy contributions and achieving carbon neutrality.

In FY 2025-26, the company consumed a total of 3.51 million kWh of green energy, which corresponds to a utilization rate of 43%.

C) Foreign Exchange Earnings and Outgo

(₹ in millions)

(i)	Foreign exchange earned	20,147
(ii)	Foreign exchange outgo	15,161

For and on behalf of the Board

Dr. Ganesh Natarajan
Independent Director and Chairman (Non-Executive) - Board
DIN: 00176393
Pune, May 20, 2026

Management Discussion and Analysis

Key Financial Indicators and Performance Highlights for FY 2025-26

	For the year ended		Variation
	31st March 2026	31st March 2025	
Revenue from Operations (₹ in millions)	46,819	41,896	Up 11.8%
Operating Income (%)*	16.8%	18.3%	Down 150 bps
Net Income (%)	11.2%	12.5%	Down 130 bps

** Before exceptional item (Refer note 36 to the financial statements) and includes Other Income*

INDUSTRY OUTLOOK AND OPPORTUNITIES

The Company's operating results are aligned to megatrends of Automation, Digitalization, Sustainability (energy resiliency and transition) and Urbanization including infrastructure creation. The Company's outlook is particularly dependent on the economic activity in India with respect to the above-mentioned megatrends and with exports to Honeywell, and global macroeconomic trends such as geopolitical changes, supply chain regional/local re-baselining, global talent mobility, movements in commodity prices and foreign exchange.

India Economic Overview

India's GDP growth rate continues to be strong in the fiscal year 2025-26, with a real GDP growth rate of 7.6% with signs of reviving private consumption demand, and strong growth across service sector, manufacturing, and construction along with low inflation. Fiscal stimulus in the form of income tax/ GST rate cuts and favorable monetary policy are expected to sustain growth at a projected 6.4% to 7.2% in the fiscal year 2026-27 – however continued external headwinds such as geopolitical instability in terms of conflicts in the Middle East & Russia-Ukraine, geoeconomic instability in the form of tariffs continue to be major risks driving currency fluctuations, energy security, energy prices, and inflation. India macros are currently in a stable zone with benign inflation within RBI tolerance bands, continued capex from government while maintaining fiscal discipline and consolidation, steady GDP growth and relatively healthy corporate balance sheets. However, there is a looming threat of downside macro risks such as higher inflation driven by supply shocks/global supply chain disruptions, higher/volatile energy prices such as that of crude oil and gas where India is heavily import-dependent. India's steep currency depreciation creating vulnerability in trade and financial flows going into 2026-27 fiscal year.

The Reserve Bank of India reduced policy rates down to 5.25% per annum from 6.25%, with the most recent reduction in December 2025 with a view to improve consumption and growth in a benign inflation context. The scope for additional easing will potentially be limited by depreciation pressure on the rupee and inflation pressure due to supply disruptions, especially of energy. The reciprocal tariffs from US which were a significant headwind to India appear to have moderated due to the 'India-US framework for an interim trade deal' – this could potentially imply a lower average effective rate of tariff for India (for products exported to the US) V/S other competing countries. It is assumed that the Indian government's response at this stage would be measured and targeted, with a willingness to negotiate a mutually beneficial agreement. *(Sources: Press Information Bureau)*. We continue to believe that the Indian Government will prioritize capital expenditure (10% YoY increase by Union government to a record 12.2 lakh crore rupees), particularly focused on infrastructure projects, energy security, and urban development, while slowly reducing subsidies to accommodate the fiscal glide path. The government had also initiated measures to revive private demand in the form of GST which may continue to spur the demand in FY2026-27, subject to inflationary headwinds – and hence, we are likely to see a wait-and-watch approach for the effects to play out on the private demand/consumption space.

The Government continues to push for 'energy security' as a core national priority, which has only been accentuated by recent events in the Middle East (in Feb-March 2026). Substantial fund allocation is expected to continue for clean energy expansion, including the Nuclear Energy Mission, which aims to achieve 100 GW by 2047 with an outlay of ₹ 20,000 crores – potentially including Small Modular Reactors in addition to India's existing 3 stage nuclear program. Investments into renewable power such as solar, wind, biofuels etc. are expected to remain a priority. Additionally, India also continues its path of digital transformation across major sectors and themes such as financial services, direct benefit transfer, consumption and increasingly across the 5 layers of the AI stack – Energy, Chips (National Semiconductor Mission and PLI), Infrastructure (ports, datacenters), Models, and Applications. India is attracting significant domestic and foreign capital into this AI stack (especially in chips and infrastructure) which could be a big growth driver in the years to come. *(Sources: S&P Global & Press Information Bureau)*

Industry Overview

The Company continues to operate in multiple sectors, i.e. infrastructure, manufacturing and energy that are directly linked to the sustainable, digitalized, economic and industrial growth of the country. The Company also aspires to be an able supplier of choice to Honeywell globally maintaining its share of trade in the export of services and goods.

- **Infrastructure:** Infrastructure sector is expected to grow in line with GDP at 7-9% CAGR till 2030, driven by continued build-out of multi-modal transport networks in line with schemes such as PM Gati Shakti, Sagarmala, Bharatmala, UDAN etc. Significant investments continue to flow into the roads (3 lakh crore+), ports, railways and metros (2.5 lakh crore+), logistics parks, industrial cities, data centers (several Gigawatt scale investments announced worth more than $100 billion), cold storage and warehouses. A growing middle class and continued rural to urban migration are key drivers of infrastructure growth and are expected to continue over the next decade. India's real estate market is currently between $550-600 billion in size annually and expected to grow at ~7% CAGR – real estate sector is expected to become a $1 trillion market by 2030 and $5-7 trillion market by 2047 signifying significant future growth potential in India over the next two decades. *(Source: S&P Global, IBEF)*

- **Manufacturing:** India's manufacturing & industrial sector remains a pivotal driver of economic growth, contributing 15-16% to GDP and supporting significant employment generation. India has an ambitious target of taking manufacturing share of GDP to 25% by 2035 under the National Manufacturing Mission. The sector is also strengthened by other government initiatives such as Make in India, Atmanirbhar Bharat, and Production-Linked Incentive (PLI) schemes, which aim to enhance domestic production, attract foreign direct investment (FDI), and strengthen export capabilities. The sector's growth globally and in India continues to be driven by advancements in Industry 4.0 technologies, including automation, artificial intelligence, and smart manufacturing, which are enhancing productivity and global competitiveness – which automation companies are well poised to serve. Manufacturing sector registered 8.1% growth in December 2025 and Manufacturing GVA grew 7.7% in Q1 and 9.1% in Q2 of FY26. However, manufacturing PMI has dropped to 53.9 in March 2026 which is the lowest since June 2022, driven by uncertainty from Middle East conflict, higher cost, supply chain shocks, and moderating demand. Despite these challenges in the short-term, India's manufacturing & industrial sector is well-positioned to be a pillar of strength for the country, assuming structural as well as process reforms and investment momentum are sustained. *(Source: S&P Global)*

- **Energy:** India is currently the world's third largest energy consumer and is seeing robust energy demand growth (expected to be 6-6.5% per annum between 2025-2030). India is expected to account for close to a quarter of the global energy demand growth through 2040. There is sustained push to move towards renewables, with solar capacity alone exceeding 140GW (both utility scale parks and rooftop schemes combined) as of January 2026 – while the target is of 500GW of non-fossil-fuel based power capacity by 2030. Wind power is currently at 55GW, large and small hydro is another 55GW, biomass at 11.75 GW, nuclear at ~9 GW (with another ~1 GW under construction). The Government of India (through Ministry of Petroleum and Natural Gas, MoPNG) aims to increase the share of natural gas in its energy mix from 6% to 10% by 2030. The current geopolitical environment in the Middle East may lead to accelerated move away from LPG to natural gas (through piped gas supply for homes), especially in urban India, driving increased demand for natural gas. This is driven by self-sufficiency considerations since India produces ~50% of its natural gas requirement domestically (97.5 mmscmd domestically sourced vs demand of ~189 mmscmd), while 60% of LPG is imported. Crude oil imports (projected to reach 5.8 million b/d by 2030 by MoPNG) continues to be the Achilles' heel for India's macro outlook – however efforts by MoPNG to diversify sourcing to 40 countries currently (up from ~27 two decades ago) and strategically rerouting supplies away from both geopolitical flashpoints (e.g., in the Middle East recently) as well as other sanctioned countries should hold India's energy security in good stead going into 2026-27.

  As we observed last year, India's energy landscape is poised for continued dynamic growth, with oil and gas ensuring supply stability and renewables continuing to drive sustainability. In 2026-27, the macro priorities continue to include expanding refining capacity, completing gas pipeline networks, and accelerating scaling of renewable infrastructure. Renewables (such as solar, wind etc.) are no longer policy preferences but central to energy security for India's growing economy. India is also taking the lead globally in sustainability initiatives like green hydrogen (one of the most competitive cost of production anywhere in the world of ~$3.08 or INR 279 per kg as of Feb 2026), Carbon Capture, Utilization and Storage (CCUS with a INR 20,000 Crores budgetary allocation announced over the next 5 years under Ministry of Power), and Electric Vehicles (EVs) will also enhance India's global leadership in clean energy. Companies in this sector continue to be well-placed to capitalize on growth opportunities while contributing to India's vision of energy independence and net-zero emissions by 2070.

OPERATIONS

The Company has only one segment as per Ind-AS namely "Automation and Control Systems" across various business operations, as stated below:

The global spin off of Honeywell Aerospace and Advanced Materials business (now known as Solstice Advanced Materials) does not affect the company's business.

Honeywell Process Solutions and Products: The Process Solutions business saw a strong momentum with many of our strategic customers and EPCs, with our business delivering healthy business growth. This business provides leading technologies from the plant floor to the boardroom as well as comprehensive lifecycle services to ensure more productive and stable operations. We also continued to optimize and integrate our wide portfolio of products and solutions that help customers to operate safely, reliably, efficiently, sustainably and achieve profitable operations. We have the expertise and breadth of resources to execute projects of every size and complexity in oil & gas, refining, pulp & paper, industrial power generation, chemicals & petrochemicals, biofuels, pharma & life sciences and metals. The Company also provides the equipment for monitoring and controlling the process parameters at various process industries such as Refineries and Petrochemicals, Metals, Chemicals and Specialty Chemicals. The business also provides equipment for the Tank Gauging and Oil Terminal Automation Solutions. We continue to expand our reach in various underpenetrated geographies within India through OEM engagements. These have helped the business of the Company to deliver reasonable performance in a challenging environment.

The business will continue to stay focused on its core strategies of creating at scale install base which eventually will drive life cycle value and aggressively pursue the new growth levers of digitization, sustainability and tailwinds across various industry segments like metals, life sciences, pharmaceuticals and gas etc. The entire business landscape is changing as the country drives make in India, sustainability goals, builds energy security & independence and encourages use of digital solutions. The Company is excited about the opportunities that these industries bring to the business. Apart from the core markets and solutions, the Company is uniquely positioned to drive growth in software solutions such as cyber security. The Company is also enhancing its reach and coverage to serve the renewable energy market with new and innovative solutions. As customers shift their focus to carbon neutral and environmentally compliant operations, the Company would like to serve these new needs in the industry.

Honeywell Building Solutions: Honeywell Building Solutions (HBS) is strategically aligning with market trends in advanced manufacturing, infrastructure, and data centers by leveraging sophisticated automation and control technologies. The business is well-positioned for growth, driven by increased government funding for critical infrastructure sectors such as airports, railways, and hospitals. Additionally, rising private investments in emerging industries—including data centers, semiconductor facilities, Li-ion battery manufacturing, and solar panel production—present significant opportunities for HBS to demonstrate its expertise.

The business delivers comprehensive system integration services designed to transform facilities into environmentally sustainable, efficient, safe, and intelligent spaces. A key offering includes Honeywell's Enterprise Building Integrator™ (EBI), which enables seamless integration of diverse building systems to enhance operational safety and efficiency.

HBS provides advanced airfield ground lighting systems that deliver optimal illumination for runways and taxiways at numerous airports, supporting aviation safety and operational effectiveness under all weather conditions. The Company also supplies Visual Docking and Guiding Systems (VDGS) within the airport sector, alongside Navitas software for integrated airport operations.

Furthermore, HBS offers robust after-sales services and maintenance programs, ensuring long-term performance and reliability of building systems while minimizing downtime and promoting operational excellence. By utilizing data analytics for energy optimization, delivering connectivity solutions through innovative software, and implementing stringent cybersecurity protocols, HBS supports secure, efficient, and future-ready smart building environments.

Building Management Systems: Building Management Systems (BMS) is a leading provider of building automation products that seamlessly integrate with specific automation needs. BMS portfolio offers a comprehensive suite of controllers, field devices and software solutions, allowing customers to tailor their systems effectively. We excel in facilitating the easy monitoring and management of a building's mechanical, electrical and electromechanical elements.

Our extensive portfolio includes solutions for Healthy Buildings and Heating, Ventilation, and Air Conditioning (HVAC) applications, catering to a diverse range of sectors across India. These sectors include large, mission-critical facilities in pharmaceuticals, healthcare and public infrastructure (such as airports, stadiums and metro stations), as well as IT parks, residential complexes, industrial spaces and hospitality sectors.

BMS has experienced consistent growth throughout the year and remains committed to its core strategies. This commitment is evident through a focus on commercial excellence, including optimized sales deployment, efficient onboarding processes, channel partner excellence, robust pipeline expansion and the introduction of innovative new products. These initiatives ensure continued growth by leveraging our existing product portfolio. The business is actively targeting high-growth sectors such as healthcare, data centers and government infrastructure. We are fostering this expansion through exciting new initiatives, including Connected Buildings and upcoming product launches, alongside a strategic enhancement of our market reach. These efforts strengthen our position in a rapidly evolving market.

Honeywell Sensing Solutions: As machines are getting smarter every day it needs a lot of sensors to gather information about surroundings and critical physical parameters. Honeywell Sensing Solutions (HSS), business consists of various sensors and switches which make machines safer, more productive and energy efficient. These sensors are used in key industries like Transportation (including EV), Medical & Health Care, and Defense & Aerospace. HSS offers a wide portfolio, which includes pressure switches, airflow sensors, humidity and temperature sensors, oxygen and breath sensors.

HSS also enhanced its defense & military product portfolio to get into new military programs of government customers. HSS business did a good job in marketing products for upcoming new verticals and on-time supply to customers by efficient operations management. This business rationalized its portfolio and gave priority to the right technologies and future customer demand. To drive higher business growth, the Company took number of initiatives like channel footprint expansion, establishing the application engineering support system in India, technology day events to improved reach to focused customers, Digitization in sales process to improve productivity and enabled us to focus on strategic accounts.

Exports: The Exports business focuses on Engineering Services, Contract Manufacturing including Projects across Company's line of businesses for Honeywell affiliates. The Exports business is predominantly service-oriented and contract manufacturing, centered on engineering, project management and global supply chain support. This asset-light model prioritizes high asset turnover, operational agility, common processes, a variable cost structure, and technology-enabled platforms.

Global Engineering business provides engineering services across multiple verticals in Process Solutions & Building Solutions businesses. It provides basic and detailed engineering, application software development, project management services, solution consulting, system integration and testing, site commissioning for Projects, Life Cycle Services, Connected Process, Measurement Controls, Building Solutions and Building Management solutions of Honeywell. This delivers projects efficiently by leveraging technical competency, economy of scale and improving productivity and cost competitiveness for several Honeywell businesses and regional affiliates. For Process Solutions, it serves several core verticals like oil & gas, refinery & petrochemical, power, minerals, mining, & metals, etc. and new areas like life sciences, energy management and storage, etc. For Building Solutions, it provides services for airports, data centers, pharma, commercial and residential buildings, etc. Capability development and engineering skill enhancements to cater to evolving technologies are managed through full-fledged Honeywell Academy which provides training to the engineers.

Under contract manufacturing we deliver high-quality products and project solutions quickly and efficiently to global markets. By embedding built-in and continuous improvement processes within the Honeywell Accelerator framework, it ensures excellence in every aspect of our operations. There is continuous focus on strategic investments in new product development, meaningful automation, capacity enhancement, and localization efforts. These initiatives are designed to enhance cost competitiveness while improving delivery performance. In the realm of project solutions, the Company excels in delivering turn-key automation and control contracts for industrial applications, including both batch and continuous processes. This business serves as a Center of Excellence for end-to-end project execution for global projects involving Process Solutions systems, safety and environmental controls, industrial security system, software application engineering and advanced software applications. This competitive edge enables Honeywell to thrive in highly competitive markets, particularly within the EMEA and APAC regions, as well as in large-scale global programs. The offerings are tailored to meet the needs of critical industries such as oil & gas, refining, power production, water, chemicals and life sciences. With a strong emphasis on delivering innovative and reliable solutions, we continue to drive growth and create value in the global marketplace.

PEOPLE

Leadership and Talent : The Company believes in the immense potential of its human capital and continues to invest in technical and leadership capabilities as key enablers for business growth. The Company leverages processes that have been the cornerstone of its growth we are pivoting in new areas of business & verticals, and our skilled people plays very important role in this. We have strong processes like Honeywell Performance Development (HPD) and Management Resource Review (MRR). These foundational processes enable careful and continual review of leadership talent within the organization, while promoting meritocracy, clarity in goals, providing structured feedback, development planning, Individual Development Plan (IDP) and proactive succession planning for all key positions across the organization.

As part of our evolved Honeywell Behaviors (ACT WITH), talent development continues to be a strategic priority for us as we work to develop and retain niche talent. Career advancement and development opportunities continue to fuel retention and engagement. Several initiatives are undertaken within the organization like mid-year reviews, learning sessions, Individual development plans and accelerate readiness and succession for future career progression.

Developing leadership capability in employees is a key expectation of every business leader and the Company actively promotes internal movements for career growth.

Development plans help focus on capability building and skills development to enable leaders to take up larger roles. The HPD process ensures that there is a consistent framework to assess our employees on goals and behaviors, creating opportunities for objective feedback and discussions on development plans. We are committed to inclusion culture within our company and drive various initiatives to drive and promote the same as unconscious bias trainings, partnership with leading external forums and focus intervention to promote inclusive culture in all walks of diversity.

As on March 31, 2026 the Company's full time employee strength was 3,167 as compared to 3,140 as on March 31, 2025.

Employee Health, Safety (HSE) and Volunteering: The Company prioritises the health and safety of our employees, recognising that a safe workplace is essential for both the well-being of our workforce and the sustainability of our operations. Our commitment to health and safety is not just a regulatory obligation but also a core value that shapes our company culture. Throughout the past year, we have strived to create a working environment free from hazards, fosters wellness, and enhances productivity.

Our health and safety program aims to achieve the following objectives:

- **Regulatory Compliance and Governance:** Ensure full compliance with all applicable **local, national, and international health and safety regulations**, statutory requirements, and recognized standards, including **ISO 45001 & ISO 140001**, supported by strong governance, monitoring, and reporting mechanisms.

- **Risk Prevention and Incident Reduction:** Systematically identify, assess, and mitigate occupational health and safety risks with the objective of achieving a **sustained reduction in workplace accidents, injuries, occupational illnesses, near misses, and property damage incidents.**

- **Employee Engagement, Empowerment, and Safety Culture:** Foster a **strong and proactive safety culture** by actively engaging and empowering employees at all levels. This includes structured safety training programs, regular awareness initiatives, and safety Committee participation. Employees are encouraged and empowered to identify hazards, report unsafe conditions, participate in risk assessments, and contribute to continuous improvement initiatives, reinforcing shared accountability for workplace safety.

- **Continuous Improvement:** Continuously enhance health and safety performance through periodic reviews, audits, training, and data driven actions, contributing to long term social sustainability, improved workforce resilience, and enhanced stakeholder confidence.

Throughout the past year, we have implemented various initiatives and programs to support our employees in maintaining and improving their health. The key highlights include:

Health and Wellness Programs: We offer a range of health and wellness programs, such as nutrition workshops and mental health awareness sessions. These programs are designed to empower employees to make positive lifestyle choices and take control of their health. Our company gym provides access to fitness equipment and exercise classes, ensuring employees have the resources to stay active and maintain their physical well-being. We also conduct ergonomic assessments to ensure employees have a proper workstation and equipment to support their physical well-being and prevent musculoskeletal injuries. We also provide personalised ergonomic training and help implement ergonomic solutions tailored to each employee.

Training and Awareness Programs: Training remains a cornerstone of our health and safety strategy. In the past year, we have conducted various training sessions, reaching employees in critical areas such as emergency response, high-risk operations, and workplace ergonomics.

Slip, Trip, and Fall Awareness Campaign – "Step Smart, Stay Safe": Slips, trips, and falls continue to be one of the leading causes of workplace incidents. The "Step Smart, Stay Safe" campaign was organized to raise awareness among employees, encourage proactive hazard identification, and promote vigilance in day-to-day activities, with the objective of reducing slip, trip, and fall-related incidents.

Employee engagement: As part of employee engagement and social responsibility initiatives, a number of volunteering activities were conducted to promote voluntary participation, community support, and a culture of care among employees. The response has always been overwhelming. Some of activities are the Blood donation drive at our Hadapsar office and Factory, Earth Day - Plantation Maintenance Drive, Girls in ICT Day - STEM Mentoring/Guidance for college students, Seed Ball Making, Learning Fair "Thrive" - Empowering Young Minds, IGNITE With Honeywell: Empowering Literacy Through STEM, Honouring the International Day of Older Persons - Resilient Futures with Honeywell – Wellness Kit Drive and IGNITE With Honeywell – Anganwadi Painting.

HSE Excellence: Our contract manufacturing facility consistently demonstrates high standards of safety requirements, encompassing staging and customer experience, resulting in five years without a record and overwhelming. Additionally, at all our project and field services sites, we excel in implementing customer safety practices and adhering to Honeywell Management system requirements, ensuring the safety of our employees and contractors. This commitment has resulted in various recognitions and awards for our dedication to customer safety protocols.

ISO Certification: The Company is committed to maintaining exemplary standards in health, safety, and environmental management. Throughout the year, we have made significant strides in these areas, culminating in the achievement of both ISO 45001 and ISO 14001 certifications. These certifications reflect our commitment to creating a safe workplace and minimizing our environmental impact, thereby aligning our operations with internationally recognized standards.

Honeywell's commitment to health and safety remains unwavering. We understand that the well-being of our employees is critical to our success, and we will continue to prioritise their safety in all aspects of our operations. By adapting to challenges and embracing continuous improvement, we strive to create a workplace where everyone can work safely and productively.

FINANCIALS

Overall revenue from operations was ₹46,819 million, registering 11.8% growth as compared to the previous year. The domestic segment registered revenue of ₹31,306 million for the current year as compared to ₹27,131 million in the previous year, registering a 15.4% growth. Revenue from exports was ₹15,513 million as against ₹14,765 million in the previous year, registering a growth of 5.1%. The external order book is increased by 14.1% to ₹35,144 million from ₹30,808 million in previous year.

Overall profit after tax was ₹5,250 million. The Company delivered a return of 11.2% on sales for the year (previous year: 12.5%). Cost of goods sold was 61.5% of sales (previous year: 60.8%).

Net cash flow from operations was ₹4,926 million, as compared to ₹4,263 million in the previous year, representing 93.8% of net profit (previous year: 81.4%). The Company will continue to focus on working capital performance and positive operating cash flows.

Related party transactions for the financial year ending 31st March 2026 are in accordance with the provisions of Section 188 of the Act and Regulation 23 of the SEBI Listing Regulations, 2015.

RISKS AND CONCERNS

The Company generates a significant portion of its sales and profits from non-affiliated third-party customers as well as from its relationships with Honeywell affiliates, including the ultimate holding company. The Company's capacity to sustain or enhance its revenue and profits from customer categories as above depends on several critical performance factors:

- Identifying emerging trends and customer requirements to develop product and service offerings that are superior to those of competitors.
- Commitment to meet or exceed the price, quality, and delivery standards set forth by Honeywell affiliates and their end customers in a cost-effective and competitive manner.
- Developing and retaining employees and leaders with the necessary expertise.
- Honeywell-specific business considerations (independent of its shareholdings in the Company), including changes in Honeywell's strategies regarding utilization of alternative opportunities to globally source products and services currently provided by the Company (including from alternative sources that Honeywell affiliates may acquire or develop), the level and/or mix of Honeywell's business with the Company.
- The overall competitive landscape, which includes pricing pressures on the sale of goods and services to Honeywell, potential reductions in order volume, or shifts in the mix of orders or sales to Honeywell.

In addition, major macro and micro economic factors pose some risks to business despite Company's diversified products & services for varied industries as follows:

- **Geopolitical risks:** In 2026, India may face significant geopolitical risks stemming from the ongoing conflicts in the Middle East, as well as the Russia-Ukraine conflict. These geopolitical events and tension have caused disruptions in the global economy, and to global supply chain and chokepoints – leading to increased trading and logistics costs. The ramifications could be particularly pronounced in India, affecting supply chains across various sectors, including energy and agriculture.
- **Inflation:** India is a net energy importer with ~90% dependency on import for oil and 50-60% for gas. The total oil and gas import bill is projected to be more than $125 billion. The import bill can become much higher if oil prices remain elevated due to conflicts and if supply constraints materialize (such as the commercial LPG supply constraints in March 2026). Elevated oil prices due to geopolitical tensions, particularly in the Middle East and in Russia-Ukraine remain a significant headwind risk for growth in India. The high import dependency and increased volatility in oil prices and / or supply disruptions are also likely to exert upward pressure on inflation and threaten India's macroeconomic stability if there are prolonged conflicts in critical energy producing regions of the world such as the Middle East. *(Source: MoPNG, RBI, S&P Global)*
- **Global economy:** In 2026, the global economy will continue to work around the effects of tariffs and counter-tariff policies along with a continued reassessment of

trade relationships and de-risking of supply chains. The tensions between the U.S. and China continue to weigh in the background forcing several countries and economic groups to realign and "friend-shore" supply chains. New trade agreements and regional partnerships continue to be pursued aggressively – India has been a prominent forerunner in this with several agreements announced e.g., with EU, EFTA, UK, Oman, New Zealand etc. – to mitigate the impact of geo-economic uncertainty. As businesses navigate these challenges, the focus on diversification of sourcing, agility of supply chains, and investment in technology to enhance efficiency will continue to be critical for maintaining competitiveness in an increasingly protectionist environment. Your company will continue to closely monitor the impact of global tariff changes and trade agreements on supply chains, import prices, and currency volatility, among other factors.

- **Forex rate fluctuations:** Indian rupee has been under pressure through 2025 falling from INR 85 per USD to INR 92-95 per USD and this pressure and volatility is expected to continue going into 2026. Fluctuations of the Indian rupee against key currencies are expected to continue driven by geopolitical events, rising oil prices, India's domestic as well as international macro and monetary policy factors. The rupee's value may rise or fall in response to interest rate adjustments made by the Reserve Bank of India (RBI) aimed at managing inflation and promoting growth, as well as changes in India's current and capital account flows. Moreover, variations in global oil prices and trade / services export balances will significantly impact on the rupee's exchange rate. The company normally takes advantage of natural hedge position given a good mix of Exports business before taking any decision on hedging.
- **Global supply chain disruptions and energy price shocks:** India may likely face challenges from global supply chain disruptions and high energy costs, which could hinder industrial output in 2026-27. These disruptions may delay production and reduce material availability, while elevated energy prices could compress corporate profit margins and fuel consumer price inflation. As demand weakens and investments slow, India may experience slower-than-expected GDP growth, highlighting the need for improved supply chain resilience and energy diversification.
- **Competition:** The Company faces a highly competitive environment in India, with escalating pricing pressures on goods and services in both domestic and export markets. Increased competition from local startups and global players may impact revenue and profit margins.

INTERNAL CONTROLS

The Company has instituted robust internal control procedures that are appropriate to the nature of its business and the scale of its operations. The Company's internal control processes have been effective, providing reasonable assurance regarding the reliability of financial information, compliance with prevailing laws and regulations and adherence to standard operating procedures. These processes ensure the documentation and evaluation of entity-level controls through existing policies and procedures, primarily to identify significant gaps and define key actions for improvement. The Company has consistently endeavored to align all its processes and controls with the best global practices. We believe that our system of internal controls offers reasonable assurance concerning the reliability of financial reporting and the effectiveness and efficiency of operations. We remain committed to continuously evaluating and enhancing our internal control framework to adapt to evolving risks and business requirements. In addition to external audits, the Company's financial and operational controls are regularly reviewed by the internal audit team in accordance with the annual plan approved by the Audit Committee. The Committee routinely reviews the significant audit findings, corrective action plans (CAP), the adequacy of internal controls, compliance with accounting standards, and any changes in accounting policies and practices. The Company also maintains a robust Integrity and Compliance (I&C) programme, wherein all employees undergo communications and training to become acquainted with leadership expectations regarding behaviors and compliance, legal requirements, avoiding conflicts of interest, maintaining a healthy and safe workplace, safeguarding Company property and information, appropriate use of information technology resources, and understanding how to report any suspected unethical or illegal conduct without fear of retaliation. The Company's Code of Conduct outlines the fundamental standards to be adhered to by employees in all business dealings and day-to-day operations. The Company also has a formal process to receive and address incidents related to business conduct reported by employees and other stakeholders.

SUMMARY

Overall revenue improved 11.8%. Net income was 11.2% of sales as compared to 12.5% in the previous year. Increased competitive environment in both domestic and exports segments, supply chain and project execution disruptions and inflation continue to be a challenge. The risks and concerns mentioned above are being addressed through concerted efforts on operational excellence, driving productivity and cost rationalization. The Company is continuously driving new productivity initiatives to remain committed to the journey of profitable growth. The Company's mix of exports revenue marginally decreased as compared to the previous period.

Details of various key ratios have been presented in the "Performance Highlights" section. Please note that the interest coverage ratio and debt equity ratio is not applicable to the Company as there is no debt.

Corporate Governance Report

1. The Company's Philosophy on Code of Governance

The Company is committed to good corporate governance practices, aimed at increasing value for all stakeholders. The Company follows the Code of Corporate Governance in letter and in spirit to ensure transparency, accountability and integrity.

2. Board of Directors ("Board")

The Board comprises of a total of six Directors, out of which two are Independent Non-Executive Directors (including a Woman Independent Director), a Managing Director and three Non-Independent Non-Executive Directors. The Chairman of the Board is an Independent Non-Executive Director. The Board has an optimum combination of Executive and Non-Executive Directors, which is in conformity with the requirements of Regulation 17 of the SEBI Listing Regulations. All Directors, other than the Independent Non-Executive Directors and Additional Directors, are liable to retirement by rotation. The composition of the Board and of the various committees of the Board have been disclosed on the Company's website at https://www.honeywell.com/in/en/hail#board-of-directors.

Details of composition of the Board, category of Directors, attendance of each Director at the Board Meetings held during FY 2025-26 and at the last AGM, number of other Boards or committees in which a director is a member or chairperson as on March 31, 2026, are as under:

DIN	Name	Category	No. of Board Meetings attended during FY 2025-26	Attendance at the last AGM held on June 27, 2025	No. of Directorship in other Public Limited Companies#	No. of committee positions held in other public companies$	
						Chairperson	Member
00176393	Dr. Ganesh Natarajan	Independent Non-Executive Chairman - Board	4/4	Yes	6	0	3
00501029	Ms. Neera Saggi	Independent Non-Executive	4/4	Yes	5	1	5
02704506	Mr. Atul Vinayak Pai	Non-Independent Executive Managing Director	4/4	Yes	Nil	Nil	Nil
07680512	Mr. Ashish Kumar Modi	Non-Independent Non-Executive	4/4	Yes	Nil	Nil	Nil
10741347	Mr. Pedro Thena Garrote^	Non-Independent Non-Executive	2/2	Yes	NA	NA	NA
10859792	Mr. Robert David Mailloux	Non-Independent Non-Executive	4/4	Yes	Nil	Nil	Nil
11364789	Mr. Jake Morgan Wasserman*	Non-Independent Non-Executive	1/2	NA	Nil	Nil	Nil

Excludes Directorships/Chairpersonships in private limited companies, foreign companies, companies registered under Section 8 of the Act, Government Bodies and Alternate Directorships, if any.

$ *Represents Chairpersonships/Memberships of Audit and Stakeholders Relationship Committees in all public limited companies as required under Regulation 26(1)(b) of the SEBI Listing Regulations.*

^ *Resigned as a Director with effect from November 5, 2025.*

* *Appointed as a Director with effect from November 5, 2025.*

As on March 31, 2026, the Independent Directors of the Company also hold directorships in the following listed entities:

- Dr. Ganesh Natarajan: (i) Hinduja Global Solutions Limited (Independent Director), (ii) GTT Data Solutions Limited, Formerly Cinerad Communications Limited (Whole Time Director - Chairman), and (iii) Cyient DLM Limited (Independent Director).
- Ms. Neera Saggi: (i) GE Vernova T&D India Limited Formerly, GE T&D India Limited (Independent Director), (ii) Adani Green Energy Limited (Independent Director) and (iii) KEC International Limited (Independent Director).

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across companies in which he/she is a Director (computed in accordance with Regulation 26 of the Listing Regulations). All the Directors have made the requisite disclosures regarding Committee positions occupied by them in other companies.

None of the Directors hold any equity shares in the Company. Further, there is no relationship between the Directors *inter-se*.

The Independent Directors have given a certificate of independence to the Board. Pursuant to the aforementioned certificate, all the Independent Directors satisfy the criteria of Independence as defined under the Act and the SEBI Listing Regulations. Further, the Board of Directors are of the opinion that Independent Directors fulfill the conditions specified in the Act and the SEBI Listing Regulations and are independent of the management.

The Company familiarises its Independent Directors pursuant to the requirements of the SEBI Listing Regulations with their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and business model of the Company. The details of familiarisation programmes imparted to the Independent Directors of the Company during the financial year 2025-26 are available on the website of the Company at https://www.honeywell.com/in/en/hail#board-of-directors.

The terms and conditions for appointment re-appointment of Independent Directors are available on the website of the Company at https://www.honeywell.com/in/en/hail#board-of-directors.

During FY 2025-26, the Board met four times on (i) May 13, 2025, (ii) August 1, 2025, (iii) November 5, 2025, and (iv) February 2, 2026. The maximum interval between any two consecutive meetings did not exceed one hundred and twenty days.

The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI Listing Regulations, is made available to the Board of Directors, for discussion and consideration at the Board Meetings. The requisite quorum was present for all Board meetings.

The Board comprises qualified members who bring in the required skills, expertise and attributes that help them to make an effective contribution to the Board and its Committees. The NRC ensures selection of Board members based on diversified skills and expertise which helps the Company to be compliant and maintain high standards of Corporate Governance. The expertise of the Company's Board members is highlighted below. These skills/ competencies are broad-based, encompassing several areas of expertise/ experience. Each Director may possess varied combinations of skills/experience within the described set of parameters.

Skills / Expertise / Competencies	DEFINITION	DR. GANESH NATARAJAN	MS. NEERA SAGGI	MR. ATUL VINAYAK PAI	MR. ASHISH KUMAR MODI	MR. PEDRO THENA GARROTE^	MR. ROBERT DAVID MAILLOUX	MR. JAKE MORGAN WASSERMAN*
Industry Knowledge	Experience or exposure of Indian business environment specifically key markets and industries served by the Company.	✓	✓	✓	✓	✓	✓	✓
Board Governance	Experience of Indian/ Multinational Boards and in corporate governance and protecting stakeholder interests.	✓	✓	✓	✓	✓	✓	✓
Financials	Understanding essentials of financial and operating performance, its relevance and importance and the ability to work with subject matter experts to get more insights.	✓	✓	✓	✓	✓	✓	✓
Strategy	Appreciate the key Company strategies to improve market share & profitability and guide business leaders in execution.	✓	✓	✓	✓	✓	✓	✓
Leadership	Be able to support management in leadership development.	✓	✓	✓	✓	✓	✓	✓

^ *Resigned as a Director with effect from November 5, 2025.*

* *Appointed as a Director with effect from November 5, 2025.*

Statutory Committees as mandated under the SEBI Listing Regulations and the Act have been mentioned in this report.

3. Audit Committee

Terms of Reference

The Audit Committee of the Company is constituted in line with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The terms of reference for the Company's Audit Committee *inter-alia* are briefly described below:

- oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Act.
    b. changes, if any, in accounting policies and practices and reasons for the same.
    c. major accounting entries involving estimates based on the exercise of judgment by Management.
    d. significant adjustments made in the financial statements arising out of audit findings.
    e. compliance with listing and other legal requirements relating to Financial Statements.
    f. disclosure of any Related Party Transactions.
    g. modified opinion(s) in the draft Audit Report.
- reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- reviewing, with the Management, when applicable, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- approval or any subsequent modification of transactions of the Company with related parties.
- scrutiny of inter-corporate loans and investments.
- valuation of undertakings or assets of the Company, wherever it is necessary.
- evaluation of internal financial controls and risk management systems.
- Reviewing, with the Management, performance of statutory and internal auditors, adequacy of internal control systems.
- reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage, and frequency of internal audit.
- discussion with Internal Auditors on any significant findings and follow-up thereon.
- reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

- to review the functioning of the whistleblower mechanism.

- approval of appointment of Chief Financial Officer after assessing the qualifications, experience, background, etc. of the candidate.

- carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations.

- management letter/letters of internal control weaknesses issued by the Statutory Auditors.

- internal audit reports relating to internal control weaknesses.

- the appointment, removal and terms of remuneration of the Head, Internal Audit.

- statement of deviations:

  a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations.

  b) annual statement of funds utilized for purposes other than those stated in the Offer document/ prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

Composition, name of members and Chairperson, meetings held during the year and attendance at the meetings

The Audit Committee comprises of three members, all being Non-Executive Directors, out of which two/third are Independent Directors. The members of the Committee have relevant experience in the field of financial reporting and accounting. The Chairman of the Audit Committee is an Independent Non-Executive Director.

During FY 2025-26, the Audit Committee met four times on (i) May 13, 2025, (ii) August 1, 2025, (iii) November 5, 2025 and (iv) February 2, 2026. The maximum interval between any two consecutive meetings did not exceed one hundred and twenty days.

The composition of the Audit Committee as on March 31, 2026, and the attendance of members at the aforesaid meetings are as under:

Name	Committee Designation, Nature of Directorship	FY 2025-26	
		Meetings held	Meetings attended
Dr. Ganesh Natarajan	Chairman, Independent Director	4	4
Ms. Neera Saggi	Member, Independent Director	4	4
Mr. Robert David Mailloux	Member, Non-Executive Director	4	4

The Company Secretary acts as the Secretary to the Committee. The Managing Director, Chief Financial Officer, Head-Internal Audit and the representative(s) of the Statutory Auditors are invited to the meetings of the Audit Committee.

The Chairman of the Audit Committee was present at the 41st AGM of the Company held June 27, 2025.

4. Nomination and Remuneration Committee ("NRC")

Terms of Reference

The NRC of the Company is constituted in line with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The broad terms of reference for the Company's NRC *inter-alia* are as follows:

- formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

- for every appointment of an Independent Director, NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent

Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such a description. For the purpose of identifying suitable candidates, NRC may:

a) use the services of an external agencies, if required.

b) consider candidates from a wide range of backgrounds, having due regard to diversity.

c) consider the time commitments of the candidates.

- formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- devising a policy on diversity of Board of Directors.
- identifying persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommending to the Board of Directors their appointment and removal.
- assessing whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation of Independent Directors.
- reviewing and recommending to the Board all remuneration, in whatever form, payable to the Managing Director, Key Managerial Personnel and Senior Management Personnel.

Composition, name of members and Chairperson, meetings held during the year and attendance at meetings

The NRC comprises of three members, all being Non-Executive Directors, out of which two are Independent Directors. The Chairperson of the NRC is an Independent Non-Executive Director.

During FY 2025-26, the NRC met twice on (i) May 13, 2025 and (ii) February 2, 2026.

The composition of the NRC as on March 31, 2026, and the attendance of members at the aforesaid meetings are as under:

Name	Committee Designation, Nature of Directorship	FY 2025-26	
		Meetings held	Meetings attended
Ms. Neera Saggi	Chairperson, Independent Director	2	2
Dr. Ganesh Natarajan	Member, Independent Director	2	2
Mr. Ashish Kumar Modi	Member, Non-Executive Director	2	2

The Chairperson of the NRC was present at the 41st AGM of the Company held on June 27, 2025.

Annual Evaluation of Board, Committees and Directors

Considering the Performance Evaluation Guidelines prescribed under the Act and the SEBI Listing Regulations, the NRC and the Board approve the framework for evaluating the performance, on an annual basis, of the Board, its committees and each director including the Chairman of the Board.

The Board has undertaken an evaluation of its own performance, the performance of its committees and of all the individual Directors including Independent Directors and the Chairman of the Board of Directors based on various parameters relating to attendance, roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its committees. The results of such evaluation were presented to the NRC and the Board at its respective meetings held on February 2, 2026.

Remuneration of Directors/Criteria for making payments to Directors

The Independent Directors are paid remuneration by way of commission and sitting fees. The commission is paid at a rate not exceeding one percent per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act. The amount of commission is determined on the basis of their roles, responsibilities, and contribution to the Company as Chairman/Member of the Board and various committees of the Board.

The sitting fees are paid for each Board, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee attended by the Independent Directors, as mentioned below:

Type of Meeting	Sitting fees per meeting (₹)
Board	60,000/-
Audit Committee	50,000/-
Other Committees	40,000/-

The Non-Executive Non-Independent Directors are not paid any sitting fees or commission.

The Company pays remuneration to its Managing Director by way of salary, perquisites and allowances (a fixed component), commission (a variable component), and long-term incentives (comprising of performance plan and stock options & restricted stock units of the Ultimate Holding Company). Salary is paid within the range approved by shareholders. The Board approves the annual increments (effective April 1 of each year) on the recommendation of the NRC.

The Board fixes a ceiling on perquisites and allowances as a percentage of salary.

The commission is calculated with reference to the net profit of the Company in a particular financial period and is determined by the Board of Directors at the end of the financial period based on the recommendations of the NRC, subject to the overall ceiling as stipulated in the Act.

None of the Non-Executive Directors have any pecuniary relationship or transactions with the Company.

Although the Company does not have stock option scheme for its own shares, some of its employees, including the Managing Director, are granted stock options and restricted stock units of the Ultimate Holding Company, namely Honeywell International Inc.

The details of Remuneration paid to Directors for FY 2025-26 for attending the Board meetings and various Board constituted Statutory Committee Meetings are as under:

Non-Executive Directors

(₹ in millions)

Name of Director	Sitting Fees Paid	Commission Payable	Total
Dr. Ganesh Natarajan (Independent)	0.60	3.25	3.85
Ms. Neera Saggi (Independent)	0.68	3.15	3.83
Mr. Ashish Kumar Modi	-	-	-
Mr. Pedro Thena Garrote^	-	-	-
Mr. Robert David Mailloux	-	-	-
Mr. Jake Morgan Wasserman*	-	-	-

^Resigned as a Director with effect from November 5, 2025.

**Appointed as a Director with effect from November 5, 2025.*

Mr. Atul Vinayak Pai, **Managing Director**

(₹ in millions)

Salary, perquisites, allowances & Incentive Compensation Plan	Others (non-taxable allowances, retirement and other long-term incentives)	Stock Options#	Total
33.16	9.36	24.96	67.48

 # Stock options include restricted stock units and stock options granted by the Ultimate Holding Company, Honeywell International Inc.

Period of contract of Managing Director: 5 years from May 16, 2024 (1st Term)

The contract may be terminated by either party by giving the other party two months' notice or the Company paying two months' salary in lieu thereof.

Severance fees as per the policy of the Company are applicable to all employees from time to time.

Senior Management

Details of Senior Management Personnel(s) as on the date of this Report are as follows:

Name	Function
Atul Vinayak Pai	Managing Director Building Automation
Pulkit Goyal*	Chief Financial Officer
Indu Daryani	Company Secretary
Nandini Vishwas	Internal Audit
Mahesh Joshi	Human Resources
Shailesh Garbhe	Process Solutions
Shreeharsha Karve	Procurement
Girish Shastri	Director Engineering
Kavery Madappa	General Counsel
Saurabh Gupta	Global Manufacturing

* upto the close of business hours of May 20, 2026.

At the Board Meeting held on May 20, 2026, the Board:

- approved appointment of Mr. Satish Kumar Agarwal as the Chief Financial Officer of the Company and Key Managerial Personnel under the Companies Act, 2013 with effect from June 1, 2026.
- took on record resignation of Ms. Nandini Vishwas from the position of Internal Auditor of the Company w.e.f. August 1, 2026.

5. Stakeholders' Relationship Committee ("SRC")

Terms of Reference

The SRC of the Company is constituted in line with the requirements of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations, 2015. The broad terms of reference for the Company's SRC *inter-alia* are as follows:

- resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.

- review of measures taken for effective exercise of voting rights by shareholders.
- review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Resolving grievances of debenture holders, when applicable, related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

Composition, name of members and Chairperson, meetings held during the year and attendance at the meetings

The SRC comprises of three members. The Chairman of the SRC is a Non-Executive Director.

During FY 2025-26, the SRC met twice on (i) May 13, 2025 and (ii) February 2, 2026.

The composition of the SRC as on March 31, 2026, and the attendance of members at the aforesaid meetings are as below:

Name	Committee Designation, Nature of Directorship	FY 2025-26	
		Meetings held	Meetings attended
Mr. Ashish Kumar Modi	Chairman, Non-Executive Director	2	2
Dr. Ganesh Natarajan	Member, Independent Director	2	2
Mr. Atul Vinayak Pai	Member, Managing Director	2	2

Ms. Indu Daryani, Company Secretary, is the Compliance Officer pursuant to the requirements of the SEBI Listing Regulations.

Details of Investor Complaints (Scores/NSE/BSE/ Smart ODR):

Investor Complaints	Number
Number of pending complaints as on April 1, 2025	0
Number of shareholders' complaints received during year ended March 31, 2026	16
Number of complaints resolved during year ended March 31, 2026	16
Number of pending complaints as on March 31, 2026	0

6. Risk Management Committee ("RMC")

The RMC of the Company is constituted with the terms of reference as stipulated under Regulation 21 of the SEBI Listing Regulations.

During FY 2025-26, the Risk Management Committee met twice on (i) May 13, 2025 and (ii) November 5, 2025.

The composition of the RMC as on March 31, 2026, and the attendance of members at the aforesaid meetings are as below:

Name	Committee Designation, Nature of Directorship	FY 2025-26	
		Meetings held	Meetings attended
Mr. Atul Vinayak Pai	Chairman, Managing Director	2	2
Ms. Neera Saggi	Member, Independent Director	2	2
Mr. Ashish Kumar Modi	Member, Non-Executive Director	2	2
Mr. Pulkit Goyal	Member, Chief Financial Officer	2	2

7. Corporate Social Responsibility ("CSR") Committee

The CSR Committee of the Company is constituted pursuant to Section 135 of the Act.

During FY 2025-26, the CSR Committee met twice on (i) May 13, 2025 and (ii) February 2, 2026.

The composition of the CSR Committee as on March 31, 2026, and the attendance of members at the aforesaid meetings are as below:

Name	Committee Designation, Nature of Directorship	FY 2025-26	
		Meetings held	Meetings attended
Mr. Atul Vinayak Pai	Chairman, Managing Director	2	2
Ms. Neera Saggi	Member, Independent Director	2	2
Mr. Ashish Kumar Modi	Member, Non-Executive Director	2	2

8. Separate Meeting of Independent Directors

A separate meeting of Independent Directors was held on February 2, 2026, without the presence of Non-Executive Directors, Managing Director and Management, pursuant to the provisions of the Act and the SEBI Listing Regulations.

9. Managing Director (MD) and Chief Financial Officer (CFO) certification

Certification from the MD and CFO as required under Regulation 17 read with Part B of Schedule II to the SEBI Listing Regulations forms part of the Corporate Governance Report.

10. General Body Meetings

Details of last three AGMs held, and the Special Resolutions passed at these AGMs

For FY	Meeting and Venue	Day, Date and Time (IST)	Details of Special Resolutions passed
2024-25	41st AGM held via Video Conferencing	Friday June 27, 2025 4:00 p.m.	Item No. 5: Commission payable to Dr. Ganesh Natarajan (DIN: 00176393), Independent Director, Non-Executive Chairman – Board for FY 2024-25, pursuant to Regulation 17(6)(ca) of the SEBI Listing Regulations.
2023-24	40th AGM held via Video Conferencing	Monday August 5, 2024 4.00 p.m.	Item No. 6: Commission payable to Dr. Ganesh Natarajan (DIN: 00176393), Independent Director, Non-Executive Chairman – Board for FY 2023-24, pursuant to Regulation 17(6)(ca) of the SEBI Listing Regulations.
2022-23	39th AGM held via Video Conferencing	Thursday August 10, 2023 4.00 p.m.	No Special Resolution was passed.

Details of Special Resolutions passed through Postal Ballot

- **Particulars of Resolution:** Special Resolution for re-appointment of Dr. Ganesh Natarajan (DIN: 00176393) as an Independent Director of the Company, not liable to retirement by rotation, to hold office for a second term of 3 (three) consecutive years on the Board of the Company commencing from March 8, 2026 up to March 7, 2029 (both days inclusive).

- **Person who conducted the postal ballot exercise:** The Board had appointed Ms. Amruta Rajarshi (Membership No. 8957 and CP No. 10411), Partner at Bokil Punde and Associates, Practicing Company Secretaries, to act as the Scrutinizer, for conducting the postal ballot process, in a fair and transparent manner.

- **Procedure adopted for Postal Ballot:** Notice of Postal Ballot dated December 30, 2025, along with the Statement pursuant to the applicable provisions of the Act read with the SEBI Listing Regulations, seeking approval of the Members of the Company *inter-alia* on the aforesaid Resolution was emailed to shareholders on December 31, 2025. Details of remote e-voting as below:

Sr. No.	Particulars	Dates
1.	Date of Postal Ballot Notice	Tuesday, December 30, 2025
2.	Cut-off date	Friday, December 26, 2025
3.	Voting Start day, date and time	Thursday January 1, 2026, at 9:00 a.m. (IST)
4.	Voting End Day, date and time	Friday, January 30, 2026, at 5:00 p.m. (IST)

Based on the report of the Scrutinizer, the above Resolution was passed with requisite majority.

11. Means of Communication

The quarterly/half-yearly/annual financial results are published in The Business Standard / Financial Express (English daily) and Loksatta (Marathi daily).

The financial results and the official news releases are also placed on the Company's website at: https://www.honeywell.com/in/en/hail

The Company has a dedicated email ID: HAIL.InvestorServices@Honeywell.com for providing necessary information to investors.

The presentation made to institutional investors or to the analysts (i.e. made at the last AGM) and other information, as applicable, is uploaded on the Company's website pursuant to Regulation 46 of the SEBI Listing Regulations.

12. General Shareholder Information

AGM - date, time and venue; Dividend Payment Date

Please refer to the Notice of 42nd AGM forming part of this Annual Report for details on the day, date, time and mode of the AGM; dates of closure of Register of Members and share transfer books, Record Date and Dividend Payment.

Financial Year

The Company's financial year is from April 1 – March 31.

Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges in India, having nationwide trading terminals:

- BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 ("BSE").

- The National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Mumbai -400 051 ("NSE").

The Company has paid listing fees for the Financial Year 2025-26 to the aforesaid Stock Exchanges.

The securities of the Company were not suspended from trading by any of the stock exchanges during the year under Report.

Distribution of Shareholding as on March 31, 2026

Shares Range	No. of Share holders	% of Total Shareholders	Shares for the range	% of Capital
1 to 500	35,809	99.36	6,10,323	6.90
501 to 1,000	90	0.25	64,980	0.74
1,001 to 2,000	54	0.15	82,403	0.93
2,001 to 3,000	11	0.03	27,516	0.31
3,001 to 4,000	14	0.04	48,179	0.55
4,001 to 5,000	10	0.03	43,588	0.49
5,001 to 10,000	17	0.05	1,26,846	1.43
Over 10,000	35	0.09	78,37,688	88.65
Total	**36,040**	**100.00**	**88,41,523**	**100.00**

Based on Shares Held

Categories of Shareholders as on March 31, 2026

Category of shareholders	No. of share holders	No. of shares held	Share holding %
Foreign Promoter	1	66,31,142	75.00
Mutual Fund	22	886,303	10.02
Alternate Investment Funds	3	76	0.00
Insurance Companies	11	1,11,827	1.26
NBFCs registered with RBI	2	70	0.00
Other Financial Institutions	1	100	0.00
Foreign Portfolio Investors Category I	105	326,263	3.69
Foreign Portfolio Investors Category II	9	4,073	0.05
Central Government / President of India	1	285	0.00
Directors and their relatives	0	0	0.00
Investor Education and Protection Fund	1	14,447	0.16
Resident Individual holding	32,624	7,47,820	8.46
Non-Resident Indians	32,014	730,478	8.26
Bodies Corporate	1,352	32,786	0.37
Trusts	10	741	0.01
Escrow Account	0	0	0.00
Limited Liability Partnership	48	49,240	0.56
Hindu Undivided Family	1,045	19,155	0.22
Clearing Member	13	871	0.01
Total	**34,974**	**88,41,523**	**100.00**

PAN Based Shareholding

Details on dematerialization of shares and liquidity

As on March 31, 2026, 99.74% equity shares of the Company are in Dematerialized form and have reasonable liquidity on BSE and NSE.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued GDRs, ADRs, Warrants or any other convertible instruments and as such, there is no impact on the equity share capital.

Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to foreign exchange risk on account of import and export transactions, which are monitored periodically. The Company leverages global treasury operations of Honeywell to improve mitigation of risks relating to foreign exchange.

Registrar to issue and share transfer agents (RTA)

Share related matters, dividend payment and all other investor related matters are attended to and processed by the Company's Registrar and Share Transfer Agent viz. MUFG Intime India Private Limited (Formerly Link Intime India Private Limited).

Registered Office:

MUFG Intime India Private Limited
(Formerly, Link Intime India Private Limited)
C-101, Embassy 247, L.B.S. Marg, Vikhroli (West)
Mumbai – 400083
Email: Investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

Branch Office details of the RTA available on the website of the Company at:
https://www.honeywell.com/in/en/hail#investor-contacts and also on the website of the RTA at www.in.mpms.mufg.com

Share Transfer System

SEBI has mandated the listed companies to process the following service requests for issue of securities in dematerialized form only:

- Issue of duplicate securities certificate
- claim from unclaimed suspense account
- renewal/exchange of securities certificate
- endorsement

• sub-division/splitting of securities certificate

• consolidation of securities certificates/ folios

• transfer, transmission and transposition of securities

Members who are still holding share certificate(s) in physical form are advised to dematerialise their shareholding.

The requirement of obtaining Annual certificate from a Company Secretary in Practice certifying that all Letter of Confirmations have been issued within prescribed time from the date of lodgement for transmission, deletion of name, consolidation, renewal, etc. as per the requirement of Regulation 40(9) and 40 (10) of the SEBI Listing Regulations, has been omitted, and hence not required to be submitted to the Stock Exchanges.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit program or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad

Not Applicable.

Plant locations

Honeywell Automation India Limited

Gate No.181, Plot No. 2 &3, Fulgaon, Pune 412 216, Maharashtra, India

Address for correspondence

Honeywell Automation India Limited

56 & 57, Hadapsar Industrial Estate,

Pune- 411 013 Tel:+912071148888

Email: HAIL.InvestorServices@Honeywell.com

Website: https://www.honeywell.com/in/en/hail

Corporate Identity Number

L29299PN1984PLC017951

13. Compliance with Mandatory Requirements

The Company affirms that all the requirements applicable under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable amendments thereto are fully complied with.

14. Compliance with Non-Mandatory Requirements

The Company has adopted the non-mandatory requirements as provided in Part E of Schedule II to the Listing Regulations to the following extent:

- The position of the Chairman and Managing Director are separate.
- The Chairman of the Board of Directors is Non-Executive and Independent and is based in Pune.
- The Company does not maintain a separate office for the Non-Executive Chairman.
- The Company publishes financial results in two newspapers of wide circulation. Further, the financial results are available on the website of the Company and of the stock exchanges where the shares of the Company are listed, i.e., BSE and NSE. Therefore, no individual intimation is sent to the shareholders.
- The Auditors' Opinion on the Financial Statements is unmodified.
- Head-Internal Audit reports to the Audit Committee.

15. Other Disclosures

Disclosures on materially significant related party transactions.

The Company has formulated a policy for dealing with materiality of related party transactions pursuant to Regulation 23 of the SEBI Listing Regulations. All related party transactions are approved by the Audit Committee. Approval of the Board of Directors is taken, as needed, in accordance with the Companies Act, 2013 and the SEBI Listing Regulations. All material related party transactions are approved by the shareholders.

There was no materially significant related party transaction during the year having potential conflict with the interests of the Company. The policy on dealing with related party transactions was last amended by the Board of Directors at its meeting held on November 5, 2025 and is available on the website of the Company at: https://www.honeywell.com/in/en/hail#policies

Statutory Compliance, Penalties, and Strictures

The Company has complied with the requirements of the Stock Exchange/SEBI and statutory authorities on all matters relating to capital markets during the last three years. There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities relating to the capital markets.

Whistle Blower Policy / Vigil Mechanism

The Company has adopted the Whistle-Blower Policy / vigil mechanism in line with Honeywell Global policy where it has a mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct. No personnel have been denied access to the Audit Committee.

The Whistle Blower Policy of the Company was amended by the Board of Directors of the Company at its meeting held on May 13, 2025, *inter alia*, to update the policy with the latest reporting channels and updated calling numbers. The said policy is available on the Company's website at the following link https://www.honeywell.com/in/en/hail#policies.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details have been made available in the Director's Report, forming part of this Annual report.

Code of Conduct

As required under the SEBI Listing Regulations, the Company has in place a Code of Conduct applicable to the Board Members as well as the senior management personnel and that the same is available on the Company website at https://www.honeywell.com/in/en/hail#policies

All the Board Members and the senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2026.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time, the Company has a Code of Conduct for Prohibition of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The said code was amended by the Board of Directors of the Company at its meeting held on May 13, 2025, *inter alia*, to update the same with law amendments.

Reconciliation of share capital audit

A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued, and listed equity share capital. This reconciliation is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the Board. The Audit Report, *inter alia*, confirms that the total listed and paid-up capital is in agreement with the aggregate of total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

Payment to Statutory Auditors

The total fees for all services paid by the Company to the statutory auditors for the financial year ended March 31, 2026 and all entities in the network firm/network entity of which the statutory auditor is a part, are disclosed in Notes to the Financial Statements.

Certificate from Company Secretary in Practice

The certificate from Bokil Punde & Associates, Practicing Company Secretaries in compliance with corporate governance norms prescribed under the Listing Regulations is annexed hereto.

Pursuant to Schedule V (Part C) of the Listing Regulations, the Company has obtained a certificate from Bokil Punde & Associates, Practicing Company Secretaries that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority and is annexed hereto.

Details relating to shares in the demat suspense account or unclaimed suspense account, as applicable

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 3 shareholders for aggregate 254 shares.
- Number of shareholders who approached the Company for transfer of shares from suspense account during the year: 3 shareholders for aggregate 254 shares.
- Number of shareholders to whom shares were transferred from suspense account during the year: 3 shareholders for aggregate 254 shares.
- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil.

Please note that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Other non-applicable Disclosures

- The Company does not have a subsidiary. Therefore, the disclosure requirement regarding (i) details of material subsidiaries of the listed entity including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries and (ii) web link where policy for determining 'material' subsidiaries is disclosed, are not applicable.
- There have been no instances by the Company of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested.
- Disclosures regarding commodity price risk and hedging activities pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of the SEBI Listing Regulations: Nil.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Nil.
- There have been no instances where the Board of Directors had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.
- Disclosure of certain types of agreements binding listed entities Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations: Nil.

For and on behalf of Board

Dr. Ganesh Natarajan
Independent Director and
Chairman (Non-Executive) - Board
DIN: 00176393

Pune, May 20, 2026

DECLARATION BY THE MANAGING DIRECTOR UNDER THE LISTING REGULATIONS REGARDING COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that all Board Members and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2026.

For Honeywell Automation India Limited

Atul Vinayak Pai
Managing Director
DIN: 02704506

Pune, May 20, 2026

MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

In connection with the financial statements of the Company for the year April 1, 2025 to March 31, 2026, we, Atul Vinayak Pai, Managing Director and Pulkit Goyal, Chief Financial Officer, certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

   1. Significant changes in internal control over financial reporting during the year;

   2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Honeywell Automation India Limited

Atul Vinayak Pai	**Pulkit Goyal**
Managing Director	Chief Financial Officer
DIN: 02704506	

Pune, May 20, 2026

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
Honeywell Automation India Limited,
56 & 57, Hadapsar Industrial Estate,
Pune-411013 Maharashtra, India

We have examined the compliance of the conditions of Corporate Governance by Honeywell Automation India Limited (CIN: L29299PN1984PLC017951) ("the Company") as stipulated under Regulation 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and amendments from time to time for the financial year ended on March 31, 2026.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the SEBI Listing Regulations. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with the conditions of Corporate Governance.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished to us and the representations made by the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Regulation 17 to 27, clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the SEBI Listing Regulations as applicable and amended from time to time for the financial year ended on March 31, 2026.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BOKIL PUNDE & ASSOCIATES,
COMPANY SECRETARIES

CS AMRUTA RAJARSHI
Partner
FCS: 8957 | C.P. No. 10411
UDIN: F008957H000720866
Peer Review Number: 7723/2026

CERTIFICATE BY PRACTICING COMPANY SECRETARY

Pursuant to Schedule V read with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Honeywell Automation India Limited
56 & 57, Hadapsar Industrial Estate,
Pune- 411 013 Maharashtra, India

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Honeywell Automation India Limited having CIN: L29299PN1984PLC017951 and having Registered Office at 56 & 57, Hadapsar Industrial Estate, Pune - 411013 (hereinafter referred to as “the Company”), produced before us through electronic mode, by the Company, for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause (10) (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company and its officers and agents, we hereby certify that the following persons were the Directors of the Company (during April 01, 2025 to March 31, 2026) and none of them have been debarred or disqualified from being appointed or for continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	Designation	DIN	Date of Appointment	Date of Cessation
1	Dr. Ganesh Natarajan*	Chairman, Independent Director & Non-Executive Director	00176393	March 08, 2021	N.A.
2	Ms. Neera Saggi	Woman Independent Director	00501029	February 04, 2019	N.A.
3	Mr. Ashish Kumar Modi	Non-Independent, Non-Executive Director	07680512	October 22, 2019	N.A.
4	Mr. Atul Vinayak Pai	Managing Director	02704506	November 09, 2020	N.A.
5	Mr. Pedro Thena Garrote	Non-Independent, Non-Executive Director	10741347	October 29, 2024	November 05, 2025
6	Mr. Robert David Mailloux	Non-Independent, Non-Executive Director	10859792	December 20, 2024	N.A.
7	Mr. Jake Morgan Wasserman#	Non-Independent, Non-Executive Director	11364789	November 05, 2025	N.A.

* *Re-appointed as an Independent Director with effect from January 30, 2026*

Appointment approved by shareholders on January 30, 2026

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For BOKIL PUNDE & ASSOCIATES,
COMPANY SECRETARIES

CS AMRUTA RAJARSHI
Partner
FCS: 8957 | C.P. No. 10411
UDIN: F008957H000720866
Peer Review Number: 7723/2026

Business Responsibility and Sustainability Report

Foreword

Dear Stakeholders

Honeywell Automation India Limited (the Company or HAIL), an integrated automation, industrial software, and sustainability solutions provider, is developing products and solutions using Honeywell technologies that help customers achieve their environmental, social and governance (ESG) goals along with their business results. The Company offers a portfolio of offerings comprising futuristic technologies to help customers and their businesses digitalize operations, reduce greenhouse gas (GHG) emissions, conserve energy, measure / reduce carbon impact, and support the adoption of renewable energy sources, thereby helping in energy transition.

We do not believe climate-related risks are reasonably likely to have a material effect in the near future on the Company's business or the markets it serves, nor on our operations, capital expenditure or financial position.

The Company is committed as well as uniquely positioned to shape a safer and more sustainable future. We continue to invent, innovate, and develop technologies that provide our customers with adaptable and efficient solutions to address their safety, productivity, energy efficiency and environmental needs.

We present this Business Responsibility & Sustainability Report (BRSR) of the Company pursuant to the provisions of Regulation 34(2)(f) of the SEBI Listing Regulations, 2015 describing the initiatives taken by the Company from an environmental, social and governance perspective.

Atul Vinayak Pai
Managing Director

SECTION A: GENERAL DISCLOSURES

I. Details of the Company

1.	**Corporate Identity Number (CIN)**	L29299PN1984PLC017951
2.	**Name**	Honeywell Automation India Limited
3.	**Date of incorporation**	13-01-1984
4.	**Registered Office Address**	56 & 57, Hadapsar Industrial Estate, Pune - 411013
5.	**Corporate Office Address**	56 & 57, Hadapsar Industrial Estate, Pune - 411013
6.	**Email**	HAIL.InvestorServices@Honeywell.com
7.	**Telephone**	+91 2071148888
8.	**Website**	https://www.honeywell.com/in/en/hail
9.	**Financial year for which reporting is being done**	April 1, 2025 to March 31, 2026 (FY 2025-26)
10.	**Name of the Stock Exchange(s) where shares are listed**	The BSE Limited and National Stock Exchange of India Limited
11.	**Paid-up Capital**	₹ 88,415,230
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Indu Daryani, Company Secretary 56 & 57, Hadapsar Industrial Estate, Pune - 411013 HAIL.InvestorServices@Honeywell.com
13.	**Reporting boundary**	Standalone basis. Disclosures made in this report are on a standalone basis for Honeywell Automation India Limited. The references to Honeywell International Inc. (Honeywell) strategies, policies, projects and framework in the report are applicable to the extent it relates to the Company's business operations.
14.	**Name of assessment or assurance provider**	MMJC Consultancy LLP, Mumbai
15.	**Type of assessment or assurance obtained**	Reasonable assessment of BRSR Core indicators

II. Products/services

16. Details of business activities (accounting for 90% of the Company's Turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover
a.	Manufacturing	Manufacture of industrial process control and automation systems.	57
b.	Trading	Trading of sensing, measurement equipment and control equipment.	14
c.	Services	Installation, engineering and repair/maintenance services of industrial control and automation systems.	29

17. Products/Services sold by the Company (accounting for 90% of the Company's Turnover)

S. No.	Product/Service	NIC Code	% of total Turnover contributed
a.	Manufacture of computer, electronic and optical products	26	57
b.	Wholesale trade, except of motor vehicles and motorcycles	46	14
c.	Repair and installation of machinery and equipment	33	29

III. Operations

18. Number of locations where plants and/or operations/offices of the Company are situated.

Location	Number of plants	Number of offices	Total
National	1	8	9
International	0	4	4

19. Markets served by the Company

a. Number of locations

Locations	Number
National (No. of states)	*33
International (No. of countries)	60

** (including Union Territories)*

b. Contribution of exports as a percentage of the total turnover of the Company.

Exports contribute 33.13% of the total turnover of the Company.

c. A brief on types of customers

In the domestic market, the Company caters to both public and private sector customers in discrete and process industries such as oil and gas, refining, pulp and paper, chemicals and petrochemicals, pharma and life sciences, infrastructure (Metro, Airports, Commercial buildings, data centre, Smart Cities), transportation, etc.

In Export Market, the Company caters to only Honeywell affiliates across the world rendering engineering services and contract manufacturing of products and projects for similar end markets as it does for its Indian customers.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	3,119	2,527	81.02	592	18.98
2.	Other than Permanent (E)	4,266	3,942	92.41	324	7.59
3.	**Total employees (D + E)**	**7,385**	**6,469**	**87.60**	**916**	**12.40**
			WORKERS			
4.	Permanent (F)	48	42	87.50	6	12.50
5.	Other than Permanent (G)	145	129	88.97	16	11.03
6.	**Total workers (F + G)**	**193**	**171**	**88.60**	**22**	**11.40**

b. Differently abled Employees and workers

Currently, the Company does not capture data for differently abled employees and workers.

21. Participation / Inclusion / Representation of women

	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel*	3	1	33.33%

** Key Management Personnel means the Managing Director, Chief Financial Officer and the Company Secretary.*

22. Turnover rate for permanent employees and workers

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees (in %)	9.2	9.5	9.3	10.3	14.2	10.9	11.9	14.9	12.4
Permanent Workers (in %)	4.7	0.0	4.0	4.4	0.0	3.9	0.0	0.0	0.0

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. a. Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Whether holding/ Subsidiary / Associate / Joint Venture	% of shares held in the Company	Does the Company indicated at column A, participate in the Business Responsibility initiatives of the Company? (Yes/No)
1	HAIL Mauritius Limited	Holding Company	75%	Yes*

** Through the ultimate holding Company, Honeywell International Inc.*

VI. CSR Details

24. a. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes

b. Turnover (in ₹): 46,819 million

c. Net worth (in ₹): 44,627 million

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2025-26			FY 2024-25		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, through: - 'Help & Support' section	0	0	-	0	0	-
Investors (other than shareholders)	Yes, through: - SEBI platform - Email IDs of BSE and NSE - SMART ODR platform	0	0	-	0	0	-
Shareholders	Yes, through: - SEBI platform - Email IDs of BSE and NSE - SMART ODR platform	16	0	-	10	0	-
Employees and workers	Yes, through various internal channels - Online ACCESS Integrity Helpline external portal - 24/7 dial-in number from U.S. - 1-800-237-5982 (India : 022 5032 3045) - Emailing at Indu.Daryani@honeywell.com - Internal stakeholders - Emailing*	10	1	Matter concluded and resolved as on the date of reporting.	13	2	-
Customers	Yes, through various reporting channels: - Online ACCESS Integrity Helpline - 24/7 dial-in number from U.S. - 1-800-237-5982 (India: 022 5032 3045). - Emailing*	1	0	-	3	0	-
Value Chain Partners	Yes, through various reporting channels: - Online ACCESS Integrity Helpline - 24/7 dial-in number from U.S. - 1-800-237-5982 (India: 022 5032 3045). - Emailing*	4	0	-	6	4	
Others (please specify)	Yes, through 'Help & Support' section.	6	1	Identified through Honeywell's internal control mechanisms or reported by an anonymous or external whistleblower. Pending matter was resolved as on date of reporting.	1	1	Whistle Blower is anonymous

Weblinks for:

- *'Help & Support' section: https://www.honeywell.com/us/en/company/integrity-and-compliance*
- *SEBI platform: www.scores.gov.in*
- *Smart ODR Platform: https://smartodr.in/login*
- *Online ACCESS Integrity Helpline: https://secure.ethicspoint.com/domain/media/en/gui/38414/index.html*
- ** Emailing at AccessIntegrityHelpline@honeywell.com*

26. Overview of the company's material responsible business conduct issues

Material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

The Company entirely leverages Honeywell's oversight on ESG performance, strategies, goals, and objectives, monitoring ESG risks and opportunities and ESG disclosures. Honeywell utilizes the enterprise risk management program and strategic planning process to identify and prioritize ESG risks and opportunities, assess the overall performance and monitor risk mitigation efforts. Examples of opportunities and risks and associated mitigation strategies can be referred to in the TCFD Disclosures section of Honeywell's 2025 Impact Report following the weblink given in Annexure to the BRSR. Based on our rigorous and disciplined risk management processes and in the context of assessing the Company's material risks, we do not believe these risks are reasonably likely to have a material effect in the foreseeable future on the Company's business or markets that it serves, nor on its results of operations, capital expenditures or financial position.

Sr No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Carbon Neutrality and Energy Transition	O	Honeywell's portfolio includes powerful megatrends – Automation and the Energy Transition. Leadership in the energy transition is an important enabler of Honeywell's long term growth. Honeywell Automation India Limited (HAIL), under Honeywell Inc.'s global initiative, is committed to achieving carbon neutrality across its facilities and operations by 2035. This will be achieved through various initiatives such as enhancing energy efficiency by upgrading equipment to more efficient designs, deploying technologies aimed at reducing process related emissions at its manufacturing facilities, etc.	N/A	Positive
2	Health and Safety	R	Health and Safety (HSE) lapses can result in injury, legal issues, fines and production losses. Ensuring workplace wellbeing is vital for sustainable business operations.	HAIL uses a lean based HSE Management System built on third-party standards including ISO 45001 to continuously improve safety performance by reducing health and safety risks through rigorous hazard assessments, compliance program, targeted competency based training, contractor safety program, strong operating control measures and well established emergency preparedness processes. Training needs are identified through structured evaluations, and all personnel are made aware of key HSE risks and compliance obligations.	Negative
3	Data privacy and Cyber security	R	Risks of cyberattacks, data breaches and privacy violations could disrupt operations, compromise sensitive information and undermine stakeholder trust in an increasingly digital environment and may lead to regulatory non-compliance.	HAIL mitigates cybersecurity and data privacy risks through a comprehensive global governance framework, strong data privacy and security-by-design principles, and well-established policies and procedures. This includes mandatory employee training during onboarding and as part of the annual Code of Business Conduct certification, regular internal and external audits, robust vulnerability assessments and penetration testing, and a structured incident response program.	Negative

Sr No.	Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	CSR	O	HAIL's targeted CSR initiatives in education, mentoring, reforestation, healthcare and building infrastructure present an opportunity to strengthen community well being while enhancing the company's social impact and reputation.	N/A	Positive
5	Diversity and Inclusion	O	HAIL recognizes the vital role of a diverse workforce in driving organizational success. Rooted in the principles of inclusion and a global mindset, the company fosters a respectful and empowering environment for all employees. A key pillar of Honeywell's diversity approach is its strong network of Employee Groups such as the LGBTQ+ Employee Network, the Honeywell Women's Employee Network, and the Honeywell All Abilities Network which are open to all employees and play a pivotal role in strengthening talent retention and shaping an inclusive, globally minded workforce.	N/A	Positive
6	Supply Chain Management	R	Failure by suppliers to meet environmental, labor, ethical, or legal standards could result in regulatory non compliance, supply disruptions, financial loss, and reputational damage.	HAIL reinforces integrity, compliance, and strong governance across its supply chain to mitigate financial, operational, and reputational risks. The Company promotes responsible sourcing by implementing a robust Supplier Code of Conduct, conducting regular monitoring, assessments, and third party audits, and ensuring adherence to environmental, social, and ethical standards.	Negative
7	Climate Change	O	Increase in revenue through demand for sustainability-oriented offerings including Honeywell's significant portfolio of advanced building controls and energy efficient technologies.	N/A	Positive
8	Climate Change	R	The effects of physical impacts of climate change could disrupt our operations by impacting the availability and cost of materials needed for manufacturing, exacerbate existing risks to our supply chain, disrupt our operations, and increase insurance and other operating costs.	Honeywell mitigates these risks through enterprise-wide risk assessments, annual ERM reviews, supplier resilience monitoring, and business continuity planning. Site level emergency response plans address extreme weather, ensuring operational continuity and material availability even under climate driven disruptions.	Negative
9	Climate Change	R	Our facilities, supply chains, distribution systems, and IT systems are subject to catastrophic loss due to natural disasters or other weather-related disruptions, including hurricanes and floods, which may be exacerbated by the effects of climate change, power outages, fires, any potential effects of climate change and adverse weather conditions, including water scarcity and rising sea levels, which can result in undesirable consequences, including financial losses and damaged relationships with customers.	Honeywell uses location based hazard assessments, third party climate risk modeling, emergency response planning, and site level continuity procedures to prepare for floods, power failures and water scarcity, reducing operational downtime and protecting customer relationships.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes. The mandatory policies under Indian laws and regulations have been adopted by the Board.								
c. Web Link of the Policies, if available.	Yes. Please refer to Annexure to the BRSR.								
2. Whether the company has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle	The Company's policies are in line with the international standards and practices such as ISO 45001:2018, ISO 14001:2015, CII Single Use Plastic and BIS.								
5. Specific commitments, goals and targets set by the company with defined timelines, if any.	The ESG commitments, goals and targets are set globally by Honeywell, the details of which are available in Honeywell's 2025 Impact Report.								
6. Performance of the company against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company adheres to this commitment and contributes towards achievement of the same.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Please refer to the Foreword by Mr. Atul Vinayak Pai, Managing Director								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Atul Vinayak Pai Managing Director DIN: 02704506								
9. Does the Company have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Managing Director is responsible for decisions on all sustainability related issues of the Company. In addition, the governance and social activities of the Company are reviewed by the Audit Committee, Risk Management Committee and Corporate Social Responsibility Committee as required under the Act and the SEBI Listing Regulations.								

10. Details of Review of NGBRC's by the Company:

Subject for review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee.									Frequency - (Annually/ Half yearly/ Quarterly/ Any other- please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually/ as mandated by law.								
Compliance with statutory requirements of relevance to the principles and rectification of any non- compliance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	As mandated by law/ Internal policies.								

11.	P1	P2	P3	P4	P5	P6	P7	P8	P9
Has the Company carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No	No	No	No	No	Yes	No	No	No
	No	No	No	No	No	External Agency ISO (450001) and ISO (140001)	No	No	No

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Company does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The Company is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The Company does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential Indicators” and “Leadership Indicators”.

Whilst the Essential indicators have been disclosed by the Company as mandated to file in this report, the Leadership indicators have been voluntarily disclosed where applicable/feasible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	3	Familiarization Program, Regulatory Amendments, Code of business Conduct, Conflict of Interest, etc.	100
Key Managerial Personnel (KMP)	4	Regulatory Amendments, Code of business Conduct and all other relevant policies including anti-Corruption, Anti Bribery, Conflict of Interest, Books and Records, Data Privacy and Cyber Security, Prevention of Sexual Harassment.	100
Employees other than BoD and KMPs	17	Code of business Conduct and all other relevant policies including anti-Corruption, Anti Bribery, Conflict of Interest, Books and Records, Data Privacy and Cyber Security, Prevention of Sexual Harassment.	100
Workers	2	Code of business Conduct and all other relevant policies including anti-Corruption, Anti Bribery, Conflict of Interest, Books and Records, Data Privacy and Cyber Security, Prevention of Sexual Harassment.	100

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the company or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year. The Company has made disclosures on the basis of materiality as specified in Regulation 30 of the SEBI Listing Regulations and as disclosed on the Company’s website)

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	3	Office of Industrial safety at Krishnagiri Magistrate Court, Tamil Nadu for alleged violation of provisions of Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act and related Rules	18,000	The Complaint broadly relates to alleged non-compliance with statutory safety and labour requirements at the construction site. Basis external counsel advice it was decided that instead of contesting the matter on merits Honeywell can plead guilty and close the case by paying penalty amount. The Court imposed a consolidated penalty of INR 18,000/- upon the Company and the Managing Director and disposed of the proceedings.	No
Settlement	-	-	-	-	-
Compounding Fee	-	-	-	-	-

Non-Monetary				
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
-	-

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

Yes, the Company leverages Honeywell's policies. Honeywell has a separate Anticorruption Policy reinforcing the organization's value towards ethical practices and promoting culture of doing business with integrity and compliance, including adherence to laws that prohibit bribery of government officials and private individuals in any business transaction. All businesses, functions, employees, and agents must comply with the mandatory requirements of this policy. Please refer to Annexure to the BRSR for weblinks to the Honeywell Code of Business Conduct and the Honeywell Anticorruption Policy.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

	FY 2025-26	FY 2024-25
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest

Nil.

8. Number of days of accounts payables [(Accounts payable *365) / Cost of goods/services procured]

	FY 2025-26	FY 2024-25
Number of days of accounts payable	130	137

Note: Refer note 46 of financial statements.

9. Openness of Business

Details of concentration of purchases and sales with Trading Houses, Dealers, and Related Parties along with Loans and Advances & Investments, with Related Parties.

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	Purchases from trading houses as % of total purchases.	-	-
	Number of trading houses where purchases are made from.	-	-
	Purchases from top 10 trading houses as % of total purchases from trading houses.	-	-
Concentration of Sales	Sales to dealers/distributors as % of total sales	14.6%	14.3%
	Number of dealers/ distributors to whom sales are made	191	189
	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	47.8%	46.5%
Share of RPTs in	Purchases (Purchases with Related Parties / Total Purchases)	42.8%	45.5%
	Sales (Sales to Related Parties / Total Sales)	39.7%	41.3%
	Loans & advances (Loans & Advances given to Related Parties / Total Loans & Advances)	-	-
	Investments (Investments in Related Parties / Total Investments made)	-	-

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the Principles during the Financial Year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-

Honeywell has established standardized policies and processes to evaluate, monitor and audit suppliers against our Supplier Code of Business Conduct through a supply chain due diligence program that includes the following elements:

- Screening of New Suppliers: Honeywell has an ongoing policy of screening and vetting new suppliers. As part of the screening process, Honeywell considers reliable third-party sources that identify various compliance risks, including labor and human rights violations, fraud and illegal activities. Identified risks are reviewed and vetted by a subject matter expert.
- Supplier Monitoring: Honeywell applies the same screening and review process to conduct a real-time continuous monitoring diligence program that applies to all existing suppliers.
- Supplier On-Site Audits: Honeywell has a risk-based program in place to conduct on-site audits of its higher-risk suppliers to ensure compliance with the Supplier Code of Business Conduct, including the principles.

2. Does the Company has processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes. In order to avoid/manage conflicts of interest, the Company obtains a mandatory declaration from the members of its Board. The declaration ensures that the members of the Board are in compliance with the Honeywell Code of Business Conduct.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the Company, respectively.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D (%)	60	60	Percentage of Honeywell's investment in new product research and development directed toward ESG-oriented outcomes is ~60% (See additional details in Honeywell's 2025 Impact Report)
Capex (%)	-	-	

2. a. Does the Company have procedures in place for sustainable sourcing? (Yes/No)

Yes.

b. If yes, what percentage of inputs were sourced sustainably?

Honeywell has established standardized policies and processes to evaluate, monitor and audit suppliers against our Supplier Code of Business Conduct through a supply chain due diligence program to ensure responsible sourcing. This due diligence program includes screening of new suppliers, supplier monitoring and supplier on-site audits to ensure that 100% of the inputs are sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company is committed to ensuring that our products are manufactured to comply with environmental regulations in the markets we serve. Regulatory monitoring combined with expertise and internal procedures help ensure comprehensive programs are in place throughout the Company to manage and meet regulatory requirements to reclaim Plastics (including packaging), E-waste, Hazardous waste and other waste.

The process to reclaim product E-waste, battery waste and plastic waste is managed as part of our Extended Producer Responsibility Program (EPR). Producer Responsibility Oganisations (PROs) are nominated by the Company for the collection of these wastes which are then recycled as applicable. Hazardous waste is sent either for incineration to Common Hazardous Waste Treatment, Storage and Disposal Facilities or to authorized recyclers/ re-processors depending on their nature.

4. Whether Extended Producer Responsibility (EPR) is applicable to the Company's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR is applicable for E-waste, battery and plastic waste generated by the Company. The waste is collected by the authorized recyclers. The quarterly returns and annual returns are filed with the Central Pollution Control Board (CPCB).

The waste collection is in line with the targets specified by the CPCB in the authorization granted to the Company.

LEADERSHIP INDICATORS

1. Has the Company conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web- link.
-	-	-	-	-	-

The Company has not conducted LCAs. However, LCAs are being conducted by Honeywell on some offerings to assess the environmental impacts associated with all the stages of the life cycle.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input Material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
-	-	-

4. Details of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed.

Indicate input Material	FY 2025-26			FY 2024-25		
Plastics (including packaging)	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
E-waste	-	-	-	-	-	-
Hazardous Waste	-	-	-	-	-	-
Other Waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NIL	NIL

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	2,527	2,527	100	2,527	100	-	-	130	5.14	10	0.40
Female	592	592	100	592	100	25	4.22	-	-	11	1.86
Total	**3,119**	**3,119**	**100**	**3,119**	**100**	**25**	**0.80**	**130**	**4.17**	**21**	**0.67**
Other than Permanent Employees											
Male	3,942	3942	100	3942	100	-	-	-	-	-	-
Female	324	324	100	324	100	-	-	-	-	-	-
Total	**4,266**	**4,266**	**100**	**4,266**	**100**	**-**	**-**	**-**	**-**	**-**	**-**

Note: All the employees are covered under Maternity and Paternity benefits. At the Company, we are following flexible working including hybrid working. Hence, daycare / creche facility was not provided.

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	42	42	100	42	100	-	-	5	11.90	-	-
Female	6	6	100	6	100	2	33.33	-	-	-	-
Total	**48**	**48**	**100**	**48**	**100**	**2**	**4.17**	**5**	**10.42**	**-**	**-**
Other than Permanent Workers											
Male	129	129	100	129	100	-	-	1	0.78	-	-
Female	16	16	100	16	100	-	-	-	-	-	-
Total	**145**	**145**	**100**	**145**	**100**	**-**	**-**	**1**	**0.69**	**-**	**-**

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.34	0.24

2. Details of retirement benefits.

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI	100	100	Y	100	100	Y
Others	-	-	-	-	-	-

3. **Accessibility of workplaces**

Are the premises / offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Various offices of the Company, including the Registered and Corporate offices, have ramps for easy movement of differently abled people. Most offices are located in commercial premises which are either on the ground floor or have elevators and infrastructure for differently abled individuals. Wheelchair accessible restrooms are available in certain premises of the Company.

4. **Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company follows Equal Opportunity Policy. This Policy describes the procedures and processes that the Company shall follow to ensure that it shall not discriminate against qualified employees and applicants on the basis of disability or any other legally protected status. It is the Company's intent to comply with Law regarding the treatment of persons with disabilities. The Policy is available on the Company's intranet.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
	Return to work rate (%)	Retention rate (%)	Return to work rate (%)	Retention rate (%)
Male	100	100	100	100
Female	100	100	100	100
Total	**100**	**100**	**100**	**100**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

The Company believes in open and transparent communication. Employees are encouraged to share their concerns with their business/function heads, HR business partners or members of the senior management. The Company follows an open-door policy, wherein any employee irrespective of hierarchy has access to the senior management.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

In addition, the Grievance / Employee Complaint Policy provides a formal platform to share grievances on various matters like:

- Work / Working Condition
- Benefits & Organization Policy - PF / Payroll / Leave
- Unfair Treatment
- Relationship with Colleagues
- Bullying or Harassment
- Discrimination
- Code of Business Conduct (Violation of Code will lead to BCIR process).

The Company has a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace and has an ICC in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The ICC comprises majority of women members. Members of the Company's ICC are responsible for conducting inquiries pertaining to such complaints. The Company, on a regular basis, sensitizes its employees on the prevention of sexual harassment at the workplace through workshops, group meetings, online training modules and awareness programs which are held on a regular basis.

Alternatively, ACCESS Integrity helpline is another channel for reporting and seeking redressal for violation of the Honeywell Code of business conduct guidelines.

7. Membership of employees and worker in association(s) or Unions recognized by the Company.

The Company does not have any employee associations. The Company, however, recognizes the right to freedom of association.

8. Details of training given to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total	On Health & Safety measures		On Skill upgradation		Total	On Health & Safety measures		On Skill upgradation	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	(D)	No. (E)	% (E/D)	No. (E)	% (E/D)
Employees										
Male	2,527	2,527	100	2,527	100	2,568	2,568	100	2,568	100
Female	592	592	100	592	100	521	521	100	521	100
Total	**3,119**	**3,119**	**100**	**3,119**	**100**	**3,089**	**3,089**	**100**	**3,089**	**100**
Workers										
Male	42	42	100	42	100	45	45	100	45	100
Female	6	6	100	6	100	6	6	100	6	100
Total	**48**	**48**	**100**	**48**	**100**	**51**	**51**	**100**	**51**	**100**

Note: The above numbers include training given to employees who have resigned/retired during the year. Some of the training programs offered under health and safety and skill upgradation are mandatory. Hence, all employees have been considered under such training programs.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	No. % (B/A)	Total (C)	No.(D)	No. % (D/C)
Employees						
Male	2,527	2,527	100	2,568	2,568	100
Female	592	592	100	521	521	100
Total	**3,119**	**3,119**	**100**	**3,089**	**3,089**	**100**
Workers						
Male	42	42	100	45	45	100
Female	6	6	100	6	6	100
Total	**48**	**48**	**100**	**51**	**51**	**100**

All employees undergo an annual performance appraisal process as determined by the Company. Further, the Nomination and Remuneration Committee and the Board evaluate the performance of the members of executive management (one level below the board), Senior Management Personnel and the Company Secretary on an annual basis. The underlying philosophy of the performance management system is to have a fair and transparent system of appraisal, which ensures an objective mechanism to measure each employee's performance and potential and implement a reward system which recognizes merit. Performance assessment is a bi-annual process, mid-year and final year assessment.

Employees joining after 31st of October are not considered as part of performance appraisal cycle for the same year, they become eligible in the next cycle.

10. Health and safety management system

a. Whether an occupational heath and safety management system has been implemented by the Company? If yes, the coverage such system?

Yes, the Company maintains the Sustainable Opportunity Policy which defines commitments to the Health, Safety, and Environmental Management System (HSEMS).

The HSEMS incorporates all applicable ISO 14001:2015, ISO 45001:2018 and Honeywell requirements. The HSE Management System is an integral part of the overall Honeywell Operating Model and defines how HSEMS is integrated with the manufacturing, service and business organization processes.

The HSEMS is designed to:

- Provide the business and global Honeywell facilities with a systematic framework for minimizing HSE risks and associated liabilities.
- Implement processes that monitor, identify, and control risks associated with the design, production, and delivery of products and services including intended use through disposition.
- Provide a framework for continual improvement of the management system and the fulfillment of conformity to applicable statutory, regulatory and stakeholder requirements; and
- Promote the integration of HSEMS with business planning and performance processes throughout the organization.

In addition, the HSEMS covers the standardization of processes related to security (physical and cyber), stakeholder outreach, distribution and transportation.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the Company?

The Company's operating locations rely on comprehensive processes for assessments of hazards that could pose a risk to workers, including employees, contractors, and visitors. Based on these assessments, risk mitigation controls are identified, implemented, and monitored to help ensure effective worker protections remain in place.

Types of assessments include ergonomic assessments, personal protective equipment evaluations and inspections, procedure checks for reporting adverse effects from an activity on a regular basis, working in confined space, etc.

HSEMS teams document and rank risks associated with such aspects having significant impact on health, safety, environment, security, product stewardship, transportation, sustainability, etc., and take immediate corrective actions.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes, the Company has a process to report work-related hazards through Safety Observations System (SOS)-near miss and Leadership HSE Gemba. Also, risks are captured in CRA and appropriate control measures are in place as per the hierarchy of control.

d. Do the employees/workers of the Company have access to non-occupational medical and healthcare services?

Yes. The employees/workers are covered under the Company's health insurance and personal accident policy.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.31	0.28
	Workers	-	-
Total recordable work-related injuries	Employees	2	3
	Workers	-	-
Number of fatalities	Employees	0	1
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	2	2
	Workers	-	-

12. Describe the measures taken by the Company to ensure a safe and healthy workplace.

The Company strives to continually improve the suitability, adequacy and effectiveness of the HSEMS to prevent occurrence of potential incidents and nonconformities and to promote improvements in HSE performance. Honeywell establishes, implements and maintains a continual improvement process which considers the outputs of the activities described in the following:

a. Policy and Leadership Commitment

b. Risk assessment

c. Communications and Participation through SOS, HSE Committee meetings etc.

d. Monitoring, Measurement, Analysis and Evaluation by internal safety audits and Management Operations Review

e. Rewards & Recognitions through 'Bravos' and Town meetings

f. On-site medical practitioner

g. Ergonomics and Physiotherapists

h. Incidents management e.g. work-related injuries or illness and environment contamination

We retain documented information as evidence of the results of continual improvement. From the Operational Control and Planning, we follow these methods: Safe Operating Sheet, CRA, Training, PPE Compliance, Near Miss Reporting and Investigation, Safety Observation System, Incident Reporting and Investigation, Communicating Single-point lessons from the other Honeywell sites, HSE Message Weekly Communication to ensure Safety Perfect Culture within the organization.

13. Number of Complaints on the following made by employees and workers

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

Note: Employees and workers report health, safety and working condition observations in Safety Observation System (SOS) tool which are timely actioned.

14. Assessments for the year:

	% of your plants and offices that were assessed (by Company or statutory authorities or third parties)
Health and safety practices	100% - ISO 45001 audit by Det Norske Veritas (DNV)
Working Conditions	100% - ISO 14001 audit by DNV

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

We maintain a process to act in a timely manner to the incidents or nonconformities, and as applicable take action to control or correct the incident or nonconformity and address the consequences.

The process includes evaluating the need for correction action(s) with participation of relevant people working under the control of Honeywell to eliminate root causes of the incident or nonconformity in order that the incident or nonconformity does not recur or occur elsewhere.

The incident or nonconformity is investigated determining the cause(s) of the incident or nonconformity and determining if similar incidents and nonconformities or causes exist or could potentially occur.

As needed, corrective actions are implemented, and the Management of Change process is utilized as appropriate. Corrective actions are reviewed to ensure that they are effective at addressing the incident or nonconformity. HSEMS are re viewed and actions or changes made as necessary.

We maintain documented information as evidence of the nature of the incidents or nonconformities and any subsequent action(s)/corrective action(s) and the results of those corrective action(s).

LEADERSHIP INDICATORS

1. **Does the Company extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   Yes. Life insurance is for all permanent employees and workers.

2. **Provide the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The Company follows a detailed compliance procedure to ensure all statutory clearance and compliances are met by its vendors.

   The Company regularly deposits undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, a Duty of Customs, a Duty of Excise, Value-added Tax, CESS and other statutory dues to the appropriate authorities and compliance of this is rigorously followed including for all its vendors. These aspects are also checked as part of vendor compliance due diligence while onboarding new vendors and on an ongoing basis as well.

3. **Provide the number of employees / workers having suffered high consequences for work- related injury / ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	2	3	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. **Does the Company provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

   No.

5. **Details on assessment of value chain partners:**

   SSR audit conducted by third party to evaluate supplier working conditions compliances with local regulations and safety overview.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	60%
Working Conditions	60%

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   Nil.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the Company.

Stakeholder groups are identified based on the nature of their engagement with the Company.

Any individual or group of individuals or institution that adds value to the business chain of the Company is identified as a core stakeholder. This inter alia includes employees, shareholders, customers/service partners, regulators, communities and non-governmental organizations, suppliers amongst others.

2. List of stakeholder groups identified as key for your Company and the frequency of engagement with each stakeholder group.:

Stake holder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Emails, Surveys, Newsletters, Company Intranet, Honeywell Internal Social Media group, Notice Board and Townhalls.	Employee satisfaction Surveys on half yearly basis through survey tools. Emails / Notices / social media / intranet are sent to employees on important Company communication on regular/need basis. Quarterly townhalls	Information about the Company's business growth plans and business performance. Top-down communication about important changes, policies, wellbeing initiatives. Platform for gathering informal feedback Workplace diversity is encouraged through various diversity, equity and inclusion initiatives.
Shareholders	No	Email, Newspaper, Notice board, Website, General Meeting.	Quarterly and need based while annually – for AGM	Corporate governance, financial performance and Shareholder related communication.
Customers / Service Partners	No	Email, Honeywell website, Surveys	As and when required	Ensuring product/service Quality, meeting delivery timeliness, Information on Business Offerings, etc.
Suppliers	No*	Email, conference calls, virtual/in person meetings, vendor portal	As and when required	Order to Payment life cycle, Ethical business conduct, understand the new market trends and educating the suppliers, etc.
Communities	No	Email, Call, SMS, Virtual and in person meetings	Quarterly/ need based	CSR Program planning, Monitoring of CSR implementation, Finances and annual review, Impact assessment, Success Stories, etc.

** The Company encourages suppliers from all sections including MSMEs. However, the final engagement depends upon the quality and timely delivery of services.*

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Engagement and consultation with stakeholders on various topics is delegated by the Board and governed as per the operating policies of the Company. Any material feedback from such consultations is provided to the Board on a periodic basis through Board Meetings or Committee Meetings.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the Company.

No.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

NIL

PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the Company.

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	3,119	3,119	100	3,089	3,089	100
Other than permanent	4,266	4,266	100	3,662	3,662	100
Total Employees	**7,385**	**7,385**	**100**	**6,751**	**6,751**	**100**
Workers						
Permanent	48	48	100	51	51	100
Other than permanent	145	145	100	5	5	100
Total Employees	**193**	**193**	**100**	**56**	**56**	**100**

Note: Human Rights related issues/policies are covered under the Honeywell Human Rights Policy and the Honeywell Code of Business Conduct. Please refer to Annexure to the BRSR for the weblink. Employees and workers are enrolled for/ imparted the aforementioned trainings on their joining and subsequently on an annual basis.

2. Details of minimum wages paid to employees and workers.

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	**3,119**	**0**	**NA**	**3,119**	**100**	**3,089**	**0**	**NA**	**3,089**	**100**
Male	2,527	0	NA	2,527	100	2,568	0	NA	2,568	100
Female	592	0	NA	592	100	521	0	NA	521	100
Other than permanent	**4,266**	**0**	**NA**	**4,266**	**100**	**3,662**	**0**	**NA**	**3,662**	**100**
Male	3,942	0	NA	3,942	100	3,514	0	NA	3,514	100
Female	324	0	NA	324	100	148	0	NA	148	100
Workers										
Permanent	**48**	**0**	**NA**	**48**	**100**	**51**	**0**	**NA**	**51**	**100**
Male	42	0	NA	42	100	45	0	NA	45	100
Female	6	0	NA	6	100	6	0	NA	6	100
Other than permanent	**145**	**0**	**NA**	**145**	**100**	**5**	**0**	**NA**	**5**	**100**
Male	129	0	NA	129	100	4	0	NA	4	100
Female	16	0	NA	16	100	1	0	NA	1	100

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages

(₹ in millions)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	6.93	1	3.32
Key Managerial Personnel (KMP)	2	28.38	1	5.27
Employees other than BoD and KMP	2,525	1.87	591	1.27
Workers	42	1.14	6	1.01

Remuneration for Mr. Atul Vinayak Pai, Managing Director, includes fixed cash and variable incentive & excludes LTI. For BOD (Male) - amount has been arrived based on average, since 3 of the Male Directors are Non-Executive Directors not receiving any remuneration from the Company.

b. **Gross wages paid to females as % of total wages paid by the Company**

	FY 2025-26	FY 2024-25
Gross wages paid to female as % of total wages	13.89	13.12

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

Honeywell has a dedicated Integrity and Compliance organization that is led by the Vice President and Chief Ethics and Compliance Officer and the Vice President and General Counsel, ESG. Both have oversight and responsibility for addressing human rights or issues caused or contributed by the business.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Honeywell has established policies, processes, training programs and other compliance controls to support the fulfillment of its Human Rights commitments. Honeywell's directors, officers, and employees have a responsibility to report any circumstance that may constitute a violation of Honeywell's Human Rights Policy and may do so anonymously.

Reports may be submitted by Honeywell personnel and third parties through Honeywell's Reporting Channels, including the Access Integrity Helpline or via e-mail at accessintegrityhelpline@honeywell.com.

All reports are treated as confidential to the extent possible, consistent with the law, company policy, and the requirements necessary to conduct an effective investigation.

Reported matters are reviewed and investigated promptly and thoroughly, in accordance with applicable laws and regulations. Honeywell maintains a zero-tolerance policy for retaliation and strictly prohibits any form of retaliation against individuals who raise concerns in good faith report regarding actual or potential misconduct.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	1	Complaint investigated by the Internal Committee (IC). Necessary actions taken by the management. As on date, the matter has been resolved.	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	-	1	0	Complaint addressed and matter resolved in compliance to Company policies
Child Labour	NIL	NIL	-	NIL	NIL	NA
Forced Labour/Involuntary Labour	NIL	NIL	-	NIL	NIL	NA
Wages	NIL	NIL	-	NIL	NIL	NA
Other human rights related issues	NIL	NIL	-	NIL	NIL	NA

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013**

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	-
Complaints on POSH as a % of female employees / workers	0.17%	-
Complaints on POSH upheld	1	-

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

All complaints received by Honeywell are investigated by the appropriate channels, which may be the Internal Committee (IC) or the Honeywell internal investigations team. The company has a strict no-retaliation policy which prohibits any form of retaliation against any employee who raises a complaint or participates in an inquiry in good faith. The Company undertakes appropriate actions to ensure the safety, dignity, and protection of the Complainant and maintains strict confidentiality of all complaints and proceedings.

9. **Do human rights requirements form part of your business agreements and contracts?**

   Yes. The requirement to comply with the Supplier Code of Business Conduct is incorporated as part of Honeywell's standard sourcing terms. Honeywell expects all suppliers to adhere to the Supplier Code of Business Conduct and all applicable laws and regulations and to ensure that these requirements are met within their supplier chain. Supplier adherence is a key consideration when we make sourcing decisions. Honeywell reserves the right to terminate a supplier relationship if the supplier fails to comply with applicable legal requirements or the Honeywell Supplier Code of Business Conduct, including Honeywell's policies aimed at combatting slavery and human trafficking.

10. **Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by Company or statutory authorities or third parties)
Child Labour	100
Forced/ Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

   Corrective Action and Remediation: Honeywell implements corrective action plans to remediate risks or findings identified through Supplier Screening, Monitoring or Audits programs, up to and including suspension or termination of the supplier. The Company also conducts mandatory awareness sessions for code of business conduct and various associated policies covering human rights.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   There are no changes proposed to the existing processes, as they are robust and well implemented. For instance, we conduct mandatory Code of Business Conduct training for all employees and suppliers. In addition, we ensure continuous communication through multiple channels, including town halls, display screens, and mass email communications.

   To mitigate the potential risk of modern slavery and human rights violations in our supply chain, Honeywell has established a comprehensive Supplier Due Diligence framework aligned with our Supplier Code of Business Conduct. This framework is governed through standardized policies, risk-based processes that ensure consistent evaluation, monitoring, remediation, and leadership oversight across the supplier lifecycle. Key elements of the program include:

   - New Supplier Onboarding and Screening: Honeywell maintains a robust supplier onboarding process that includes systematic screening and vetting of new suppliers. As part of this process, Honeywell leverages reliable third-party sources to identify potential compliance risks, including labor and human rights violations, fraud and illegal activities. All identified risks are reviewed and assessed by relevant subject matter experts.
   - Ongoing Supplier Monitoring: Honeywell conducts continuous, real-time monitoring across its existing supplier base using a risk screening methodology. The ongoing diligence enables proactive identification of potential compliance risks.
   - Supplier Assessments and On-Site Audits: Honeywell has a risk-based audit program in place to conduct assessments including on-site assessments of its high-risk suppliers. These assessments including audits evaluate supplier's

compliance with the Supplier Code of Business Conduct, including Honeywell's policies specific requirements related to prohibition of forced labor, slavery and human trafficking.

- Corrective Action and Remediation: Honeywell implements corrective action plans for remediation where non conformances or risks are identified through screening, monitoring, assessments and audits. Escalation measures, including suspension or termination of the supplier relationship, are applied when remediation is not effectively achieved.

  Through this structured due diligence process, supported by leadership oversight, Honeywell continuously assesses and strengthens its capability to prevent, detect, and address adverse human rights impacts across its supply chain.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Honeywell has established standardized policies and processes to evaluate suppliers prior to selection including detailed compliance checks and rating assessments encompassing supply chain risk management. All new suppliers must pass this assessment process prior to contracting with Honeywell. Honeywell also monitors its supply chain through adverse media to detect vulnerabilities of its supply chain that include labor violations.

Furthermore, Honeywell has a program in place to conduct audits, when needed, of its supply chain to ensure compliance with the Supplier Code of Business Conduct, including Honeywell's policies regarding slavery and human trafficking. Honeywell reserves the right to terminate a supplier relationship if the supplier fails to comply with applicable legal requirements or the Honeywell Supplier Code of Business Conduct, including Honeywell's policies aimed at combatting slavery and human trafficking.

3. Is the premise/office of the company accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. The registered and corporate offices of the Company have ramps for easy movement of differently abled visitors. Most of the offices are located in commercial premises which may be on the ground floor or have elevators and infrastructure for differently abled visitors. Wheelchair accessible restrooms are available in certain offices of the Corporation.

4. Details on assessment of value chain partners

The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. All value chain partners are required to adhere to the Honeywell Supplier Code of Conduct as part of their contractual obligation with the company. To address the potential human rights violations in the supply chain, Honeywell has established standardized policies and processes to evaluate, monitor and audit suppliers against the Supplier Code of Business Conduct through a supply chain due diligence program.

No specific assessment in respect of value chain partners has been carried out.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Others – please specify	-

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Corrective Action and Remediation: Honeywell implements corrective action plans for remediation where non-conformances or risks are identified through screening, monitoring, or audits. Escalation measures, including suspension or termination of the supplier relationship, are applied when remediation is not effectively achieved.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity.**

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
A. Total electricity consumption	0.00	0.00
B. Total fuel consumption	0.00	0.00
C. Energy consumption through other sources (Solar PPA)	12,677.73	10,384.37
Total energy consumed from renewable sources (A+B+C)	**12,677.73**	**10,384.37**
From non-renewable sources		
D. Total electricity consumption	16,174.31	17,107.00
E. Total fuel consumption	2,823.20	4,988.00
F. Energy consumption through other sources	0.00	0.00
Total energy consumed from non-renewable sources (D+E+F)	**18,997.51**	**22,095.00**
Total energy consumed (A+B+C+D+E+F)	**31,675.24**	**32,479.37**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000006765	0.0000007752
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP)	14	16
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the Company	-	-

Energy consumption captured in Gigajoules (GJ).

*GJ/million US$

The intensity adjusted for PPP has been following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database from the link : https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

Energy Intensity- This data is currently unavailable.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

2. **Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Details of the following disclosures related to water

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
i. Surface water	0.00	0.00
ii. Ground water	9,939.00	11,470.00
iii. Third party water	1,118.00	3,966.00
iv. Seawater / desalinated water	0.00	0.00
v. Others#	^19,528.00	17,019.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**30,585.00**	**32,455.00**
Total volume of water consumption (in kilolitres)	**30,585.00**	**32,455.00**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.0000006533	0.0000007747
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	13.28	16
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the Company	-	-

* KL/million US$.

Usage of municipal water is shown here, as the Company doesn't extract water directly from the sources.

^ For regional offices, water consumption has been estimated using the EPA Energy Star Portfolio Manager factor for offices: 13 gallons per worker per day (approximately 49 liters per person per day).

The intensity adjusted for PPP has been calculated following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database from the link : https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

Water Intensity- This data is currently unavailable.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

4. Provide the following details related to water discharged.

Sr. No.	Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)			
(i)	**To Surface water**	0.00	0.00
	No treatment	0.00	0.00
	With treatment – please specify level of treatment		
(ii)	**To Ground water**	0.00	0.00
	No treatment	0.00	0.00
	With treatment – please specify level of treatment		
(iii)	**To Seawater**	0.00	0.00
	No treatment	0.00	0.00
	With treatment – please specify level of treatment		
(iv)	**Sent to third-parties**	0.00	0.00
	No treatment	0.00	0.00
	With treatment – please specify level of treatment		
(v)	**Others**	0.00	0.00
	No treatment	0.00	0.00
	With treatment – please specify level of treatment		
Total Water discharged (in kilolitres)		Nil	Nil

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

5. **Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation**

Yes, water being an important environmental resource, necessary initiatives are taken in the Company's manufacturing unit to conserve and recycle water, thus ensuring Zero Liquid Discharge. Suitable and efficient wastewater treatment like STP's is installed in the manufacturing unit with primary, secondary, and tertiary treatment which include nano filtration / Reverse Osmosis / Ultraviolet treatment facilities to treat wastewater to usable quality water. The water treated is further used for gardening activities within the premises.

6. **Details of air emissions (other than GHG emissions) by the Company**

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Nox	-		-
Sox	Kg/day	1.21	2.30
Particulate matter (PM)	Mg/nm3	34.99	48.5
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Data reported is the highest value reported in four quarters, for Hadapsar office and Fulgaon factory.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

7. **Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	200.00	232.09
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	3,374.00	3,772.93
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0000000763	0.0000000956
Total Scope 1 and Scope 2 emission intensity per rupee of Turnover adjusted for Purchasing Power Parity (PPP)*		1.55	1.97
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the Company		NA	NA

* tCO2e/million US$

The intensity adjusted for PPP has been calculated following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database from the link: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

8. **Does the company have any project related to reducing Green House Gas emission? If Yes, then provide details.**

The Company adheres to Honeywell's commitment to be carbon neutral in its facilities and operations by 2035. Honeywell's commitment to being environmentally responsible is reflected in the extensive work it does to reduce GHG emissions, increase energy efficiency, conserve water, minimize waste and drive efficiency throughout our operations. Honeywell also champions responsible for remediation projects and efforts to make our products safer and more sustainable. Please refer to Honeywell's 2025 Impact Report for more details.

9. Provide details related to waste management by the Company.

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	3.84	5.92
E-waste **(B)**	9.50	8.36
Bio-medical waste **(C)**	0.008	0.015
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	1.615	-
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)**	2.22	1.88
Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	222.54	175.00
Total (A+B + C + D + E + F + G+ H)	**239.72**	**191.18**
Waste intensity per Rupee of Turnover (Total waste generated / Revenue from Operations)	0.000000005	0.000000005
Waste intensity per Rupee of Turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from Operations adjusted for PPP)	0.10	0.09
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the Company	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	238.42	190.38
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**238.42**	**190.38**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.66	0.761
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**0.66**	**0.761**

* MT/million US$

The intensity adjusted for PPP has been calculated following the guidelines set forth in the SEBI's circular dated December 20, 2024, which outlines Industry Standards Forum guidance for BRSR Core. The PPP factor has been sourced from IMF database from the link: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC.

Water Intensity in terms of physical output - This data is currently unavailable.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Honeywell manages waste in accordance with all regulatory requirements while also seeking to minimize waste generation and environmental impact. All of our locations and functions are required to handle waste in accordance with our HSEPS management system which includes:

- Detailed characterization and classification of all waste streams.

- Process of due diligence and impact assessment for all facilities receiving hazardous waste, from our operations including a review and approval process by a global team; Honeywell's hazardous waste streams are only permitted to be sent to these approved facilities.
- Annual duty of care assessments of all receiving facilities and transporters of Honeywell's waste, including compliance with local regulations and permitting requirements and ability to handle our waste streams, prior to any waste movement.
- On-site management of waste streams to prevent releases and impact on the environment, including container management and spill prevention.
- Annual training for all employees and contractors that perform waste related activities.
- Annual or more frequent audits of waste movements to confirm compliance and identify opportunities for waste reduction and diversion.

11. If the Company has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.

Currently, no office or factory location of the Company are part of ecologically sensitive areas.

S.No.	Location of operations/ officers	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
-	-	-	-

12. Details of environmental impact assessments of projects undertaken by the Company based on applicable laws, in the current financial year

No projects were implemented in FY 2025-26 which required EIA to be undertaken by the Company.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
-	-	-	-	-	-

13. Is the Company compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

The Company complies to all the applicable environmental law/ regulations/ guidelines in India.

S.No.	Specify the law/ regulation/ guideline which was not complied with	Provide details of non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or courts	Corrective action taken, if any
-	-	-	-	-

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) **Name of the area:** Fulgaon Plant & Hadapsar Facility

(ii) **Nature of operations:** Manufacturing

(iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2025-26		FY 2024-25	
Water withdrawal by source (in kilolitres)				
	Fulgaon	**Hadapsar**	**Fulgaon**	**Hadapsar**
(i) Surface water	0.00	0.00	0.00	0.00
(ii) Ground water	9,939.00	0.00	11,470.00	0.00
(iii) Third party water	0.00	1,118.00	0.00	3,966.00
(iv) Seawater / desalinated water	0.00	0.00	0.00	0.00
(v) Others	312.06	15,784.00	0.00	17,019.00
Total volume of water withdrawal (in kilolitres)	**10,251.06**	**16,902.00**	**11,470.00**	**20,985.00**
Total volume of water consumption (in kilolitres)	**10,251.06**	**16,902.00**	**11,470.00**	**20,985.00**
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000021	0.00000036	0.0000002	0.0000005
Water intensity (optional) – the relevant metric may be selected by the entity	-	-	-	-
Water discharge by destination and level of treatment (in kilolitres)				
(i) **Into Surface water**				
No treatment	-	-	-	-
With treatment – please specify level of treatment	-	-	-	-
(ii) **Into Groundwater**				
No treatment	-	-	-	-
With treatment – please specify level of treatment	-	-	-	-
(iii) **Into Seawater**				
No treatment	-	-	-	-
With treatment – please specify level of treatment	-	-	-	-
(iv) **Sent to third-parties**				
No treatment	-	-	-	-
With treatment – please specify level of treatment	-	-	-	-
(v) **Others**				
No treatment	-	-	-	-
With treatment – please specify level of treatment	-	-	-	-
Total water discharged (in kilolitres)	**-**	**-**	**-**	**-**

* Usage of municipal water is shown here, as the Company doesn't extract water directly from the sources

Water Intensity - This data is currently unavailable.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, MMJC Consultancy LLP, Mumbai has provided reasonable assessment on data reported under this indicator.

2. **Details of total Scope 3 emissions & its intensity.**

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NIL	NIL
Total Scope 3 emissions per rupee of turnover		NIL	NIL
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Scope 3 calculations are done at Honeywell Enterprises level, and details are unavailable at the Company level currently.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, the Company did not carry out independent assessment by an external agency.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the Company on biodiversity in such areas along-with prevention and remediation activities.

NIL

4. If the Company has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	NIL	NIL	NIL

5. Business continuity and disaster management plan.

Honeywell's Global Business Continuity Program adheres to the international standard of Business Continuity (BC) lifecycle process, which is based on a risk-based, all-hazards planning approach. This means that no matter what causes a disruption, a plan is documented based on the following loss scenarios:

1. Loss of availability of people/workforce/specialized personnel
2. Loss of IT applications/hardware/services/infrastructure
3. Loss of facility/building/campus/workspace
4. Loss of supplier services/product

The Company follows the annual business continuity lifecycle of performing business impact assessments, documenting recovery strategies in business continuity plan and testing the recovery strategies through tabletop exercises and functional tests.

The Technology Resilience Program is designed to provide a scalable structured program to ensure the identification, mitigation and communication of risks and resiliency related to technology failure events (hardware, software, network, data, telecom), as well as datacenter outages.

The Technology Resilience Standard identifies the minimum requirements for the Technology Resilience Program. These requirements include the identification of risks and vulnerabilities, Technology Resilience Plans (TRPs), recovery strategies, testing of plans, tracking and communicating compliance.

The Company is covered for any application failure by application recovery plans that has been developed and tested by Honeywell. HAIL sites have their own IT site recovery plans for any technology failure hosted locally all the sites, these plans are reviewed and exercised annually.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the Company. What mitigation or adaptation measures have been taken by the company in this regard.

No significant adverse impact by value chain partners.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil.

8. How many Green Credits have been generated or procured

a. **By the Company** - No such green credits have been generated or procured during this year.

b. **By the top 10 (in terms of value of purchases and sales respectively) value chain partners** – This information is currently not available.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers / associations.**

The Company is a member of 3 trade and industry chambers / associations, details of which are given in point 1.b. below.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the Company is a member of / affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
i.	National Association of Software and Service Companies (NASSCOM)	National
ii.	Mahratta Chamber of Commerce, Industry and Agriculture (MCCIA)	State
iii.	Manufacturers' Association for Information Technology (MAIT)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
-	-	-

There were no cases of any anti-competitive conduct during the reporting period.

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the Company:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes / No)	Frequency of Review by Board (Annual / Half Yearly / Quarterly / Others - please specify)	Web link if available
i.	Fire Safety Regulations	Direct engagement with Government	No	-	-
ii.	Data Center	Via trade associations and directly	No	-	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the Company based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-	-	-	-	-	-

SIA was not applicable in the reporting year.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
-	-	-	-	-	-	-

3. **Describe the mechanisms to receive and redress grievances of the community**

The Company has a defined reporting process to ensure that anyone can reach our or raise issues or concerns through the various channels provided by the organization.

- Dedicated page for Integrity and Compliance: https://www.honeywell.com/us/en/company/integrity-and-compliance
- Access Integrity Helpline External Portal: https://honeywell.ethicspoint.com/
- Email at AccessIntegrityHelpline@Honeywell.com for any questions

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	23.00%	27.36%
Directly from within India	77.00%	60.42%

5. Job creation in smaller towns Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

LOCATION	FY 2025-26	FY 2024-25
Rural	0	0
Semi-urban	0	0
Urban	0	0
Metropolitan	100	100

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
-	-

SIA was not applicable in the reporting year.

2. Provide the following information on CSR projects undertaken by the Company in designated aspirational districts as identified by government bodies

S. No	State	Aspirational District	Amount Spent (INR)
-	-	-	-

None of the projects that were supported from the Company's CSR funding were undertaken in aspirational districts in FY 2025-26.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

(b) From which marginalized /vulnerable groups do you procure?

(c) What percentage of total procurement (by value) does it constitute?

No.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by the Company (in the current financial year), based on traditional knowledge

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
-	-	-	-	-

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved**

Name of Authority	Brief of the Case	Corrective Action Taken
-	-	-

6. **Details of beneficiaries of CSR Projects**

Sr. No	Project Name	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
(i)	IIT-Honeywell Bombay Centre of Excellence for Future Skills & Innovation	364 students enrolled for pilot training.	100%
(ii)	Honeywell Future Skills Edge	864 students trained as part of the pilot phase; 28,000+ students reached & onboarded for training.	100%
(iii)	Holistic Rural Development	4,000 community members reached	100%
(iv)	Plant the Future	Maintenance of 2.43 lakh saplings planted across Mumbai, Pune, Bangalore	NA

For the projects specified above, HAIL has contributed following share out of the total program budget spent by HHSIF - (i) IITB-Honeywell COE for Future Skills & Innovation – 66%; ii) Honeywell Future Skills Edge – 100%; (iii) Holistic Rural Development program - 86%, (iv) Plant the Future Campaign – 15.9%.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has a defined process to ensure all the complaints and feedback from customers received from multiple channels are addressed. Dedicated contact link for Honeywell Help and support is available on the weblink: https://process.honeywell.com/us/en/contact-us

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

	As a percentage to total turnover*
Environmental and social parameters relevant to the product	100% (of products)
Safe and responsible usage	100% (of products)
Recycling and/or safe disposal	100% (of products)

** as required under relevant laws.*

3. **Number of consumer complaints in respect of the following**

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls	0	-
Forced recalls	0	-

5. **Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Regarding privacy measures, Honeywell has a Data Privacy Function (corporate-wide) which acts as a resource to help ensure compliance with global data privacy laws such as General Data Protection Regulation (GDPR) and California Consumer Privacy Act (CCPA).

As part of the Global Data Privacy Standards and Compliance Resources, Honeywell's Data Privacy Policy establishes uniform and global guidance regarding how Honeywell intends generally to process and protect personal data. To the extent that law or contractual provisions impose stricter requirements than the guidance set in the Policy, Honeywell shall comply with the more restrictive law or contractual provisions.

Honeywell has a Data Privacy Policy (Policy 2006). Policies are proprietary and cannot be shared but can be demonstrated.

Further information on Honeywell's data privacy can be found on Honeywell's Data Privacy Trust Center : https://www.honeywell.com/us/en/company/data-privacy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

There were no such complaints received by the Company.

For cybersecurity corrective actions, Honeywell provides centralized configuration management in which configurations common across multiple systems are stored in a repository, versioned, and deployed. Baseline configuration settings for all IT products are documented in build books.

Changes to the configuration settings are monitored and controlled through the technical configuration process using a host/client scanner that connects to hosts and collects the configuration information from operating systems. The configuration settings are then compared to the baseline located on the server and flagged accordingly. Corrective actions are taken to remediate/mitigate the gaps found.

Patching is performed at regular intervals dependent on the device. All changes, including patches related to infrastructure and applications within the production environment, are managed in a controlled manner. Changes are logged, assessed, and authorized prior to implementation and reviewed against planned outcomes following implementation. This assures risk mitigations do not negatively affect the stability or integrity of the production environment.

7. **Provide the following information relating to data breaches**

   a. **Number of instances of data breaches -** NIL

   b. **Percentage of data breaches involving personally identifiable information of customers -** NIL

   c. **Impact, if any, of the data breaches –** Not Applicable

ANNEXURE TO THE BRSR

Web Links of Honeywell Policies and Statements

Honeywell Policies in line with the National Guidelines on Responsible Business Conduct:

S.No.	Policy	Link
1.	Honeywell Code of Business Conduct	https://www.honeywell.com/content/dam/honeywellbt/en/documents/downloads/code-of-conduct/HON_COC_English.pdf
2.	Honeywell Supplier Code of Business Conduct	https://www.honeywell.com/us/en/company/integrity-and-compliance/supplier-code-of-business-conduct
3.	Honeywell Anticorruption Policy	https://www.honeywell.com/content/dam/honeywellbt/en/documents/downloads/hon-anticorruption-policy.pdf
4.	Honeywell Human Rights Policy	https://www.honeywell.com/content/dam/honeywellbt/en/documents/downloads/hon-human-rights-policy.pdf
5.	Honeywell Slavery and Human Trafficking Statement	https://www.honeywell.com/content/dam/honeywellbt/en/documents/downloads/hon-corp-anti-slavery-statement.pdf
6.	Corporate Social Responsibility Policy	https://www.honeywell.com/in/en/hail#policies
7.	Policy for Determination of Materiality of Events & Information	https://www.honeywell.com/in/en/hail#policies
8.	Whistle Blower Policy	https://www.honeywell.com/in/en/hail#policies
9.	General Policies	https://www.honeywell.com/in/en/hail#policies
10.	Honeywell's 2025 Impact Report	https://www.honeywell.com/content/dam/honeywellbt/en/documents/downloads/hon-2025-impact-report.pdf

All other policies are available on the Company's internal network.

INDEPENDENT ASSESSMENT REPORT

To,

The Board of Directors,

Honeywell Automation India Limited,

Independent practitioner's assessment report on identified sustainability information on BRSR core in Honeywell Automation India Limited

We ("MMJC Consultancy LLP" or "the firm") have undertaken to perform an Assessment engagement, for Honeywell Automation India Limited ("the Company") in respect of the agreed Sustainability Information, listed below (the "Identified Sustainability Information") pertaining to Business Responsibility and Sustainability Report Core ("BRSR Core"), as notified by SEBI vide Circular dated 12th July, 2023. This Sustainability Information is as included in the Business Responsibility and Sustainability Report ("BRSR" or "the report") of the Company for the year ended March 31, 2026.

Reporting Criteria

The Business Responsibility and Sustainability Report (BRSR/ the report) has been developed by the Company based on the National Guidelines on Responsible Business Conduct (NGBRCs) for BRSR. We have Identified Sustainability Information - BRSR Core (included in the report) for the year ended March 31, 2026, which is a sub-set of the Report, consisting of a set of key performance indicators (KPIs) – matrix under 9 ESG attributes and is as mentioned in the above referred circular issued by SEBI.

Our assessment engagement was with respect to the year ended March 31, 2026, only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the report and, therefore, do not express any conclusion thereon. The criteria used by the Company to prepare the Identified Sustainability Information is BRSR Core – Framework issued by SEBI Circular dated 12th July 2023.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information on BRSR Core, taking into account applicable laws and regulations, if any, related to reporting on the Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria.

This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR (including BRSR Core) and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Assessment Methodology

Our evaluation of Honeywell Automation India Limited's Business Responsibility and Sustainability Report (BRSR) was done with reference to SEBI Regulations issued in 2015, including Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, on guidance on BRSR and the amendments to the BRSR rules, as well as FICCI Guidance Note on BRSR and BRSR Core Disclosures where relevant.

The assessment was performed by evaluating the methodology followed to obtain information with regards to the requirement list of the 9 ESG core attributes of the BRSR. We have performed procedures like interviews with the management and employees involved in gathering sustainability information at both corporate and business unit levels.

Understanding and evaluation of critical processes, systems and internal controls for generation, collection, monitoring, recording and reporting of sustainability information in accordance with the BRSR principles.

The sustainability information identified above was sampled for testing, ensuring that the BRSR Core reporting requirements were consistent with the underlying sustainability information. The BRSR reporting information was validated using documentation maintained as back-ups, including HR information (wages paid, Job creation, shares of RPT's and Grievances details), training logs, internal MIS information, ESG tracker information, vendor certificates, and other management information utilized to report under the BRSR core requirements.

Exclusions & Limitations

Exclusions:

- Operations of the Company other than those mentioned in the Reporting Criteria.

- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information.
- Data and information outside the defined reporting period.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.
- Testing of any financial numbers.
- Data, statements, and claims already available in the public domain through Annual Report, Sustainability Report, or other sources available in the public domain.
- The Company's compliance with regulations, acts, and guidelines with respect to various regulatory agencies and other legal matters.

In addition to the specific exclusions mentioned above, any other information not disclosed or reported by the Company in its BRSR filing has been excluded from the scope of our assessment.

Legal Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Opinion

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the year ended March 31, 2026 (as stated under "Identified Sustainability Information") are prepared in all material respects, in accordance with the Reporting Criteria.

Our Independence and Competence

Our responsibility is to assess the Identified Sustainability Information limited to BRSR Core, based on the procedures performed and evidence obtained, including evaluation of the risks of material misstatement due to fraud or error. We have complied with the independence and ethical requirements of the Code of Ethics issued by the Institute of Company Secretaries of India and SEBI Circular dated 12 July 2023 and maintain an appropriate system of quality control in accordance with applicable professional, legal, and regulatory requirements.

Restriction on use

Our assessment report has been prepared and addressed to the Board of Directors of Honeywell Automation India Limited at the request of the Company solely, to assist Company in reporting on Company's sustainability performance and activities in relation to attributes of BRSR Core (included in BRSR). Accordingly, we accept no liability to anyone other than the company. Our deliverables should not be used for any other purpose or by any person other than the addresses of our deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our deliverables are shown or into whose hands it may come without our prior consent in writing.

MMJC Consultancy LLP

Pradnesh Kamat
Designated Partner
Date: May 20, 2026
Mumbai

Independent Auditor's Report

To the Members of Honeywell Automation India Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Honeywell Automation India Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
1	***Revenue recognition for turnkey contracts*** Refer note 2(G) for material accounting policy information and note 21 for related disclosures in the accompanying financial statements. The Company recognises revenue from turnkey contracts on the basis of stage of completion over a period of time using input method, in accordance with Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'). The recognition of revenue is therefore dependent on estimates in relation to total estimated contract costs which is subject to inherent high estimation uncertainty, as it requires management to exercise significant judgement considering factors such as inflation, volumes, technical and schedule risks, performance trends, site availability, asset utilisation, historical trends, anticipated labour agreements etc. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company. These contingencies are reviewed by the management on a regular basis throughout the contract period and adjusted where appropriate. Based on above contract costs estimation including costs to complete, the management also identifies onerous contracts, if any, for which loss is measured and recognized as per principles of Ind AS 37, Provisions, Contingent liabilities and Contingent assets ('Ind AS 37'). Revenue recognition is also a key performance indicator of business performance and thus, is identified as a presumed significant risk of fraud in accordance with the requirements of Standards on Auditing.	Our audit procedures on revenue recognition from turnkey contracts included, but were not limited to, the following: • Obtained an understanding of the business process for revenue recognition and evaluated the appropriateness of accounting policy on revenue recognition in accordance with Ind AS 115; • Evaluated the design and tested the operating effectiveness of key internal controls, including general and information technology controls, relevant to recognition of revenue from turnkey contracts and the associated contract assets, contract liabilities and onerous contract obligations, including controls over estimation and approval of total contract costs and change order approvals; • For a selected sample of turnkey contracts, performed detailed substantive procedures, including – a) Obtained and examined underlying documents such as customer contracts, amendments and approved change orders relating to variations in price or scope to verify the performance obligations identified, and the transaction price determined, by the management; b) Assessed the reasonableness of management's estimates of total contract costs, including changes to budgeted costs resulting from contract modifications, claims, disputes, and liquidated damages, by inspecting underlying contractual terms, change orders, management approvals, and other relevant supporting evidence, as considered by management in measurement of progress towards complete satisfaction of performance obligations and identifying onerous contracts. We critically evaluated the basis for such estimates as above, including changes thereto, considering our understanding of the business and historical accuracy of such estimates, performing enquiries with the relevant project managers, where required;

Sr. No.	Key Audit Matters	How our audit addressed the key audit matter
	Considering the materiality of amounts and significant management judgement involved, revenue recognition from turnkey contracts is identified as a key audit matter.	c) Tested samples for actual costs incurred till date, including samples of transactions recorded during specified period before and after year end, by inspecting underlying invoices, work orders, status of work certifications and other supporting documents; d) Tested the mathematical accuracy of management workings for total estimated costs, actual costs incurred, and revenue or provision for onerous contracts recognised, basis such computation; e) Performed analytical procedures such as project analysis to identify unusual trends, if any; f) Tested manual journal entries recorded in revenue during the year selecting a sample based on risk criteria; and • Evaluated the adequacy and appropriateness of the related disclosures in the financial statements in accordance with applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's report including specific Annexures to Board's report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

15. The financial statements of the Company for the year ended 31 March 2025 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 13 May 2025.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. Further, the back-up of the books of accounts and other books and papers of the Company maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis;

c) The financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in, paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company, as detailed in Note 34 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2026.;

   ii. The Company, as detailed in Note 35 to the financial statements, has made provision as at 31 March 2026, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 37(B)(iii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 37(B)(iv) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The final dividend paid by the Company during the year ended 31 March 2026, in respect of such dividend declared for the previous year, is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 39 to the accompanying financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in Note 42 to the financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2025, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, except for instances mentioned below, the audit trail has been preserved by the Company as per the statutory requirements for record retention:

   i. The audit trail feature was not enabled at the database level for an ERP accounting software to log any direct data changes, used for maintenance of all records by the Company.

   ii. The accounting software used for maintenance of payroll records is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931

UDIN: 26206931JOIRSI6127

Place: Chennai
Date: 20 May 20226

Annexure A referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Honeywell Automation India Limited on the financial statements for the year ended 31 March 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 45 to the financial statements, are held in the name of the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ millions)	Amount paid under Protest (₹ millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	54.43	19.51	AY 2003-04	Assessing office
	Income Tax	16.83	4.19	AY 2008-09	Commissioner of Income Tax Appeals
	Income Tax	5.17	-	AY 2014-15	Income Tax Appellate Tribunal
	Income Tax	25.88	75.67	AY.2019-20	Commissioner of Income Tax Appeals
	Income Tax	0.09	-	AY 2020-21	Assessing office
	Income Tax	7.52	-	AY 2023-24	Assessing office
	Income Tax	51.11	-	AY 15-16 and 16-17	The Tax Appeal Committee (TAC) Ministry of Finance, Kuwait
The Customs Act, 1962	Customs duty	8.13	-	1994-95	Deputy Commissioner (Customs)
	Customs duty	3.37	1.11	2017-2020	Commissioner of Customs (Appeals)
	Customs duty	2.75	-	2019-2023	Commissioner of Customs (Appeals)
The Central Excise Act, 1944	Excise duty	0.24	-	2000-01	Customs, Excise and Service Tax Appellate Tribunal
Goods & Services Act, 2017	GST	0.78	0.22	2019-20	Goods and Services Tax Appellate Tribunal (GSTAT) of Cuttack
	GST	1.22	0.09	2020-21	Goods and Services Tax Appellate Tribunal (GSTAT) of Cuttack
	GST	4.66	0.22	2017-18	Assistant Commissioner, Delhi
	GST	17.67	0.83	2017-18	Assistant Commissioner, Tamil Nadu
	GST	1.33	0.11	2017-18	Assistant Commissioner, West Bengal
	GST	4.94	-	2018-19	Goods and Services Tax Appellate Tribunal (GSTAT), Gujarat
	GST	0.48	0.12	2017-18 to 2019-20	Goods and Services Tax Appellate Tribunal (GSTAT) of Telangana
	GST	1.74	0.07	2018-19	Deputy commissioner (ST), Andhra Pradesh
	GST	12.23	0.61	2018-19	Assistant Commissioner, Tamil Nadu
	GST	0.47	0.02	2018-19	Assistant Commissioner, Karnataka
	GST	35.22	1.69	2019-20	Assistant Commissioner, Tamil Nadu
	GST	2.19	0.11	2019-20	Assistant Commissioner, Karnataka
	GST	2.49	0.13	2019-20	Assistant Commissioner, Punjab
	GST	0.92	0.06	2022-23	Assistant Commissioner, Odisha
	GST	11.63	0.23	2017-18 to 2021-22	Deputy commissioner (ST), West Bengal
	GST	2.07	0.09	2017-18 to 2023-24	Assistant Commissioner, Tamil Nadu
	GST	14.41	0.81	2020-21	Assistant Commissioner, Karnataka
	GST	12.20	0.64	2020-21	Assistant Commissioner, Jammu and Kasmir
	GST	9.63	0.52	2021-22	Assistant Commissioner, Jammu and Kasmir
	GST	0.91	0.05	2021-22	Assistant Commissioner, Tamil Nadu
	GST	0.58	0.03	2021-22	Assistant Commissioner, Telangana
	GST	0.25	0.01	2021-22	Assistant Commissioner, Bihar
Respective Value Added Tax Act	VAT	0.22	-	2016-17	Special Objection Hearing Authority, Delhi
	VAT	0.13	-	2011-12	Special Objection Hearing Authority, Delhi
	VAT	0.09	0.02	2009-10	Deputy Commissioner, Kerala
	VAT	0.01	-	2011-12	Tribunal, West Bengal
	VAT	0.01	-	2016-17	Additional commissioner, Bihar
	VAT	21.36	8.81	2011-12	High Court, Uttar Pradesh
	VAT	18.40	-	2015-16	Deputy Commissioner, Kerala

Name of the statute	Nature of dues	Gross Amount (₹ millions)	Amount paid under Protest (₹ millions)	Period to which the amount relates	Forum where dispute is pending
Respective Value Added Tax Act	VAT	15.36	-	2011-12 & 2012-13	High Court, Orissa
	VAT	14.88	0.48	2015-16	Joint Commissioner (Appeals), Maharashtra
	VAT	13.25	-	2012-13	Tribunal, Uttar Pradesh
	VAT	11.69	-	2013-14	High Court, Maharashtra
	VAT	11.09	-	2015-16	Deputy commissioner, Uttar Pradesh
	VAT	9.84	0.22	2014-15	Deputy Commissioner, Kerala
	VAT	7.80	0.37	2014-15	Deputy commissioner, Uttar Pradesh
	VAT	6.69	2.04	2013-14	Deputy Commissioner, Kerala
	VAT	5.27	-	2012-13	Deputy Commissioner, Kerala
	VAT	2.17	-	2017-18	Special Objection Hearing Authority, Delhi
	VAT	2.11	1.06	2014-15	Tribunal, Andhra Pradesh
	VAT	1.53	-	2011-12	Deputy commissioner (Commercial Tax), Telangana
	VAT	1.32	-	2001-02	Joint Commissioner (Appeals), Maharashtra
	VAT	1.17	-	2014-15	Deputy Commissioner, Kerala
	VAT	0.77	-	2010-11	Deputy commissioner (Commercial Tax), Telangana
	VAT	0.61	0.07	2011-12	Deputy Commissioner, Kerala
	VAT	0.58	-	2010-11	Assistant commissioner, Tamil Nadu
	VAT	0.42	0.11	2016-17	Deputy Commissioner of Commercial Tax
	VAT	0.41	-	2010-11	Special Objection Hearing Authority
	VAT	0.35	0.16	2016-17	Addl. commissioner GR-2 (Appeal) Lucknow-III
	VAT	0.23	-	2017-18	Addl. commissioner GR-2 (Appeal) Lucknow-III
The Central Sales Tax Act, 1956	CST	0.19	-	2016-17	Deputy commissioner (Commercial Tax), AP
	CST	0.06	-	2014-15	High Court, Maharashtra
	CST	34.12	0.39	2015-16	Joint Commissioner (Appeals), Maharashtra
	CST	14.64	1.51	2012-13	Revision board-Bench - VII, West Bengal
	CST	10.36	-	2014-15	Maharashtra Sales Tax Tribunal (MSTT) Pune bench
	CST	9.90	-	2016-17	Special Objection Hearing Authority, Delhi
	CST	9.62	-	2017-18	Joint Commissioner (Appeals), Maharashtra
	CST	5.07	-	2013-14	High Court, Maharashtra
	CST	3.08	2.62	2009-10	High Court, Maharashtra
	CST	2.53	1.80	2017-18	Addl. commissioner GR-2 (Appeal) Lucknow-III
	CST	2.29	0.85	2016-17	Addl. commissioner GR-2 (Appeal) Lucknow-III
	CST	1.76	1.45	2015-16	Special Objection Hearing Authority, Delhi
	CST	1.74	-	2015-16	High Court, Maharashtra
	CST	1.19	0.36	2014-15	Assistant commissioner, Tamil Nadu
	CST	1.07	-	2017-18	Special Objection Hearing Authority, Delhi
	CST	0.29	0.26	2016-17	Assistant commissioner, Tamil Nadu
	CST	0.25	-	2017-18	Assistant commissioner, Tamil Nadu
Bombay Sales Tax Act, 1959	BST	3.23	-	2001-02	Tribunal, Maharashtra
Entry Tax Act,1976	Entry Tax	0.82	0.21	2016-17	Deputy Commissioner of Commercial Tax

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) According to the information and explanations given to us, we report that the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us, the Company has received whistle blower complaints during the year, which have been considered by us while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931

UDIN: 26206931JOIRSI6127

Place: Chennai
Date: 20 May 2026

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Honeywell Automation India Limited ('the Company') as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931

UDIN: 26206931JOIRSI6127

Place: Chennai
Date: 20 May 2026

Balance Sheet as at March 31, 2026

(₹ in millions)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Assets			
Non-current assets			
(a) Property, plant and equipment	4	973	1,032
(b) Capital work in progress	4	29	32
(c) Right-of-use assets	30	1,043	981
(d) Intangible assets	5	2	3
(e) Financial assets			
(i) Trade receivables	6	221	154
(ii) Other financial assets	9	152	113
(f) Income tax assets	10	243	245
(g) Deferred tax assets (net)	11	1,121	910
(h) Other non-current assets	12	546	559
Total non-current assets		**4,330**	**4,029**
Current assets			
(a) Inventories	13	2,168	2,372
(b) Financial assets			
(i) Trade receivables	6	11,609	11,273
(ii) Cash and cash equivalents	7	5,647	31,304
(iii) Bank balances other than (ii) above	8	32,411	1,608
(iv) Other financial assets	9	543	273
(c) Other current assets	12	5,582	5,187
Total current assets		**57,960**	**52,017**
Total Assets		**62,290**	**56,046**
Equity and liabilities			
Equity			
(a) Equity share capital	14	88	88
(b) Other equity	15	44,539	40,294
Total Equity		**44,627**	**40,382**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	878	844
(ii) Other financial liabilities	19	18	21
(b) Provisions	16	290	222
Total non-current liabilities		**1,186**	**1,087**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	227	165
(ii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		942	790
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		9,313	8,739
(iii) Other financial liabilities	19	567	384
(b) Other current liabilities	20	3,081	2,088
(c) Provisions	16	1,769	1,508
(d) Income tax liabilities	10	578	903
Total current liabilities		**16,477**	**14,577**
Total equity and liabilities		**62,290**	**56,046**

The accompanying notes form an integral part of the financial statements 1-46
As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number - 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : May 20, 2026

For and on behalf of the Board of Honeywell Automation India Limited

Ganesh Natarajan
Chairman
DIN: 00176393

Atul Vinayak Pai
Managing Director
DIN: 02704506

Pulkit Goyal
Chief Financial Officer
M No: 124311

Indu Daryani
Company Secretary
FCS No: 9059

Place : Pune
Date : May 20, 2026

Statement of Profit and Loss for the year ended March 31, 2026

(₹ in millions)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
(I) Revenue from operations	21	46,819	41,896
(II) Other Income	22	1,790	1,821
(III) Total Income (I + II)		**48,609**	**43,717**
(IV) Expenses:			
Cost of materials consumed	23	24,028	21,522
Purchases of Stock in Trade		5,018	4,280
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	(257)	(339)
Employee benefits expense	25	8,387	7,256
Finance costs	26	97	67
Depreciation and amortization expense	4,5 & 30	537	544
Other expenses	27	3,588	3,331
Total expenses		**41,398**	**36,661**
(V) Profit before tax (III - IV)		7,211	7,056
(VI) Exceptional item			
Gratuity past service cost	**36**	123	-
(VII) Profit before tax (V - VI)		7,088	7,056
(VIII) Income tax expense:			
- Current tax		2,028	2,017
- Deferred tax		(172)	(187)
- Relating to earlier years		(18)	(10)
Total tax expense		**1,838**	**1,820**
(IX) Profit for the year (VII-VIII)		5,250	5,236
(X) Other comprehensive income			
A (i) Items that will not be reclassified to profit and loss			
(a) Remeasurements losses of the defined benefit plans		12	(65)
A (ii) Income tax relating to items that will not be reclassified to profit or loss		(3)	16
B (i) Items that may be reclassified to profit and loss			
(a) Effective portion of gains and loss on designated portion of hedging instruments in cashflow hedge		(166)	(16)
B (ii) Income tax relating to items that may be reclassified to profit and loss		42	4
(X) Total other comprehensive income (A (i+ii) + B (i+ii))		**(115)**	**(61)**
(XI) Total comprehensive income for the year (IX + X)		**5,135**	**5,175**
Earning per equity share (In ₹)			
Basic and Diluted	31	593.81	592.15
Nominal value per share: ₹10			

The accompanying notes form an integral part of the financial statements 1-46
As per our report of even date attached

For **Walker Chandiok & Co LLP**
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Firm Registration Number - 001076N/N500013

Sumesh E S
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Place : Chennai
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Chief Financial Officer
M No: 124311

Indu Daryani
Company Secretary
FCS No: 9059

Place : Pune
Date : May 20, 2026

Statement of Cash Flow for the year ended March 31, 2026

(₹ in millions)

Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities			
Profit for the year		**5,250**	**5,236**
Adjustments for:			
Income tax expense recognised in profit and Loss account		1,838	1,820
Depreciation and amortisation of non current assets	4,5 & 30	537	544
Loss on sale / write off of property, plant and equipment (net)	27	18	2
Interest income recognised in profit and loss	22	(1,785)	(1,774)
Share based payment	25	38	29
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		(214)	(61)
Effect of unrealized exchange Loss/(Gain)		117	(6)
Other interest cost	26	97	67
Liabilities no longer required written back	22	(5)	(12)
Interest on Other financial assets carried at amortised cost	22	(7)	(6)
Bad debts written off (net of impairment loss)	27	296	316
Movements in working capital:			
Increase in trade and other receivables		(524)	(1,904)
Decrease/(increase) in inventories		204	(781)
(Increase)/decrease in other assets		(512)	508
Increase in trade payables		527	1,929
Increase in provisions		342	574
Increase/(decrease) in other current liabilities		1,043	(357)
Cash generated from operations		**7,260**	**6,124**
Income taxes paid (net of refund, if any)		(2,334)	(1,861)
Net cash generated from operations		**4,926**	**4,263**
B. Cash flow from investing activities			
Payments for Property, plant and equipment	4	(329)	(276)
Payment for intangible assets	5	(1)	(3)
Proceeds from disposal of Property, plant and equipment and intangible assets		4	2
Interest received	9 & 22	1,492	1,735
Fixed deposits placed during the year		(42,450)	(27,853)
Proceeds from fixed deposits matured during the year		11,647	26,253
Net cash used in investing activities		**(29,637)**	**(142)**

Statement of Cash Flow for the year ended March 31, 2026 (continued)

Honeywell

(₹ in millions)

Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
C. Cash flow from financing activities			
Repayment of principal portion of lease liabilities	30	(166)	(162)
Repayment of interest portion of lease liabilities	30	(67)	(56)
Dividend paid	39	(928)	(884)
Net cash used in financing activities		**(1,161)**	**(1,102)**
Net change in cash and cash equivalents		**(25,872)**	**3,019**
Cash and cash equivalents as at the beginning of the year		31,304	28,224
Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		215	61
Cash and cash equivalents as at the end of the year		5,647	31,304
Movement in cash and cash equivalents		**(25,872)**	**3,019**

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

2. Payments for Property, Plant and equipment and Intangibles represents additions to property, plant and equipment and other intangible assets adjusted for movement of (a) capital work in progress for property, plant and equipment and (b) intangible assets under development during the year.

3. Refer Note 30 for reconciliation of liabilities arising from financing activities

4. Cash and cash equivalents included in the Statement of Cash Flows comprise the following:

(₹ in millions)

Cash and cash equivalents consist of	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	3,314	4,994
In deposit accounts (Original maturity less than 3 months)	2,333	26,310
	5,647	**31,304**

The accompanying notes form an integral part of the financial statements 1-46
As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number - 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : May 20, 2026

For and on behalf of the Board of Honeywell Automation India Limited

Ganesh Natarajan
Chairman
DIN: 00176393

Atul Vinayak Pai
Managing Director
DIN: 02704506

Pulkit Goyal
Chief Financial Officer
M No: 124311

Indu Daryani
Company Secretary
FCS No: 9059

Place : Pune
Date : May 20, 2026

Statement of changes in equity for the year ended March 31, 2026

A. Equity share capital

(₹ in millions)

Particulars	Amount
Balance as at March 31, 2024	**88**
Changes in equity share capital during the year	-
Balance as at March 31, 2025	**88**
Changes in equity share capital during the year	-
Balance as at March 31, 2026	**88**

B. Other equity

(₹ in millions)

	Reserves and surplus				Other comprehensive Income	Total
	Securities premium	General reserves	Retained earnings	Group share based payment reserve	Effective portion of cash flow hedge	
Balance as at March 31, 2024	**158**	**1,855**	**33,784**	**166**	**11**	**35,974**
Profit for the year	-	-	5,236	-	-	5,236
Other comprehensive income for the year, net of income tax	-	-	(49)	-	(12)	(61)
Total comprehensive income for the year	**-**	**-**	**5,187**	**-**	**(12)**	**5,175**
Dividend Paid (refer note 39)	-	-	(884)	-	-	(884)
Recognition of share-based payments	-	-	-	29	-	29
Balance as at March 31, 2025	**158**	**1,855**	**38,087**	**195**	**(1)**	**40,294**
Profit for the year	-	-	5,250	-	-	5,250
Other comprehensive income for the year, net of income tax	-	-	9	-	(124)	(115)
Total comprehensive income for the year	**-**	**-**	**5,259**	**-**	**(124)**	**5,135**
Dividend Paid (refer note 39)	-	-	(928)	-	-	(928)
Recognition of share-based payments	-	-	-	38	-	38
Balance as at March 31, 2026	**158**	**1,855**	**42,418**	**233**	**(125)**	**44,539**

The accompanying notes form an integral part of the financial statements 1-46

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number - 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : May 20, 2026

For and on behalf of the Board of Honeywell Automation India Limited

Ganesh Natarajan
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DIN: 02704506

Pulkit Goyal
Chief Financial Officer
M No: 124311

Indu Daryani
Company Secretary
FCS No: 9059

Place : Pune
Date : May 20, 2026

Notes to the Financial Statements

Note 1 - General Information:

Honeywell Automation India Limited (the 'Company') is engaged primarily in the business of Automation & Control systems on turnkey basis and otherwise. The Company is a public limited company incorporated and domiciled in India and has its registered office at 56,57 Hadapsar Industrial Estate, Pune – 411013, Maharashtra, India. The Company is listed on the Bombay Stock Exchange, Mumbai (BSE) and the National Stock Exchange (NSE).

The financial statements are approved for issue by the Company's Board of Directors on May 20, 2026.

Note 2 - Material Accounting Policy Information:

A. Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Operating cycle for current and non-current classification :

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle, based on the duration of the specified project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realization of receivables (including retention monies) within the agreed credit period normally applicable to this industry.

B. Basis of Preparation and Presentation

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Derivative financial instruments

ii) Certain financial assets and financial liabilities measured at fair values (as required by the relevant Ind AS)

iii) Share based payment transactions and

iv) Defined benefit and other long term employee benefits

Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the assets or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and disclosure purpose in these financial statement is determined on such basis, except for share-based transactions that are within scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

Amounts in the financial statements are presented in Indian ₹ in million and rounded off as permitted by Schedule III to the Companies Act, 2013, except where otherwise indicated. Per share data are presented in Indian ₹ to two decimal places.

C. Property, Plant and Equipment

Property, Plant and Equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Freehold land is not depreciated.

The Company depreciates Property, Plant and Equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Class of Assets	Useful Lives
Buildings	30 years
Plant and Machinery	4 - 10 years
Computers and Networks	3 - 5 years
Vehicles	4 - 5 years
Office Equipment	5 - 6 years
Furniture and Fixture	5 - 10 years

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets installed in leased premises are depreciated over lease period or useful life of assets whichever is lower.

The estimated useful life of the Property, Plant and Equipment are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

D. Intangible Assets and Amortization

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Losses arising from the retirement of, gain or losses arising from disposal of an intangible asset are recognised in the Statement of Profit and Loss. The Purchased Software are amortized over a period of 3 years.

The estimated useful life of the intangible assets are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

E. Impairment of Property, Plant and Equipment and Intangible Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (property, plant and equipment and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

F. Inventories

Inventories comprise of raw material, work in progress, finished goods, stock in trade and are stated at lower of cost and net realisable value. Cost is determined using the technique of standard cost method, which approximates the actual cost using the Moving Weighted Average basis. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

G. Revenue Recognition

The Company earns revenue primarily from turnkey projects with respect to automation and related control systems, AMC services and other business solutions.

i) Revenue from turnkey contracts with performance obligations satisfied over time are recognized using input method. Revenue from such contracts is recognized over time because of the continuous transfer of control to the customer. With control transferring over time, revenue is recognized based on the extent of progress towards completion of the performance obligation. Cost based input method of progress is used because it best depicts the transfer of control to the customer that occurs as costs are incurred. Under the cost based cost method, the extent of progress towards completion is measured based on the proportion of costs incurred to date to the total estimated costs at completion of the performance obligation. Cost estimates on significant contracts are reviewed on a periodic basis, or when circumstances change and warrant a modification to a previous estimate. Cost estimates are largely based on negotiated or estimated purchase contract terms, historical performance trends and other economic projections. Significant factors that influence these estimates include if the desired site is made available on time, inflationary trends, technical and schedule risk, internal and subcontractor performance trends, business volume assumptions, asset utilization and anticipated labour agreements. Provisions for anticipated losses on long-term contracts are recorded in full when such losses become evident, to the extent required.

ii) Revenue from contract with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration Company expects to be entitled in exchange for those goods or services. Service sales, principally representing software development are recognized over the contractual period or as services are rendered.

iii) The terms of a contract or the historical business practice can give rise to variable consideration due to, but not limited to, cash-based incentives, rebates, performance awards, or credits. Variable consideration is estimated at the most likely amount receivable from customers. Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized for such transaction will not occur, or when the uncertainty associated with the variable consideration is resolved. Estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of our anticipated performance and all information (historical, current and forecasted) that is reasonably available.

iv) A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration excluding any amounts presented as a receivable.

v) A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

H. Foreign Currency Transactions

i) Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian ₹ (rounded off to millions).

ii) Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

iii) Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

Exchange differences on restatement of all other monetary items are recognised in the Statement of Profit and Loss.

I. Employee Benefits

a) Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

b) The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans:

i) Superannuation fund:

Contribution towards superannuation fund for certain employees is made to the Life Insurance Corporation, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii) Provident Fund:

A defined contribution plan is a postemployment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

iii) Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 (as amended from time to time). The Gratuity Plan provides a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each reporting period.

iv) Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

v) Termination Benefits:

Termination benefits in the nature of voluntary retirement benefits are recognised in the Statement of Profit and Loss as and when incurred.

Actuarial gain or losses and remeasurements: Actuarial gains or losses on defined benefit obligations are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit and loss in subsequent periods.

J. Share Based Payments

Certain employees of the Company receive remuneration in the form of equity settled instruments given by the ultimate holding company (Honeywell International Inc.), for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant.

The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, as a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

K. Income Tax

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity or other comprehensive income.

Current tax:-

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:-

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

Deferred tax asset are recognized to the extent that it is probable that taxable profit will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

L. Provisions and Contingencies

Provisions: Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are discounted to its present value as appropriate.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Provisions for the expected cost of warranty obligations are recognised at the time of sale of the relevant products, at the best estimate of the expenditure required to settle the Company's obligation.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

M. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The assessment is based on:

(1) whether the contract involves the use of a distinct identified asset,

(2) whether the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and

(3) whether the Company has the right to direct the use of the asset.

The Company has hired office premises under non-cancellable operating lease arrangements at stipulated rentals.

Right-of-use assets represent right to use an underlying asset during the reasonably certain lease term, and lease liabilities represent obligation to make lease payments arising from the lease. The lease terms include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance lease payments.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The Company primarily uses incremental borrowing rate, which is based on the information available at the lease commencement date, in determining the present value of the lease payments.

A right-of-use asset and corresponding lease liability are not recorded for leases with an initial term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes lease payments as operating expense as incurred over the lease term.

The Company has also elected practical expedient available within the standard:

- not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

N. Financial Instruments

Financial assets and financial liabilities are recognised when a company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;

Level 3 inputs are unobservable inputs for the asset or liability.

Financial Assets

All purchases or sales of financial assets are recognised and derecognised on a trade date basis including delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

i. Classification of financial assets

   All financial assets are subsequently measured at amortised cost except derivative financial instruments.

ii. Impairment of financial assets

   The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost trade receivables, other contractual right to receive cash or other financial asset.

   Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive, discounted at the original effective interest rate (or credit-Adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

   The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. 12 month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default accruing over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financials asset that results from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix based on judgement considering past experience.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to other financials assets.

iii. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expired or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred assets the Company recognises its retained interest in the asset and then associated liability for amounts it may have to pay.

On derecognition of a financial asset in its entirety, the difference between (a) the carrying amount (measured at the date of derecognition) and (b) the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

If the transferred asset is part of a larger financial asset (eg when an entity transfers interest cash flows that are part of a debt instrument, and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer. For this purpose, a retained servicing asset shall be treated as a part that continues to be recognised. The difference between (a) the carrying amount (measured at the date of derecognition) allocated to the part derecognised and (b) the consideration received for the part derecognised (including any new asset obtained less any new liability assumed) shall be recognised in profit or loss.

iv. Derivative financial instruments and hedge accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange fluctuations. The instruments are confined principally to foreign exchange forward contracts. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period

The Company adopts hedge accounting for forward contracts. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item or transaction and the nature of the risk being hedged. At inception each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

When hedge accounting is applied:

a. for fair value hedges of recognised assets and liabilities, changes in fair value of the hedged assets and liabilities attributable to the risk being hedged, are recognised in the statement of profit and loss and compensate for the effective portion of symmetrical changes in the fair value of the derivatives.

b. for cash flow hedges, the effective portion of the change in the fair value of the derivative is recognised directly in other comprehensive income and the ineffective portion is taken to the statement of profit and loss. If the cash flow hedge of a firm commitment or forecasted transaction results in the recognition of a nonfinancial asset or liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in other comprehensive income and accumulated in equity are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of a non-financial asset or a liability, amounts deferred in equity are recognised in the statement of profit and loss in the same period in which the hedged item affects the statement of profit and loss.

   In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

   Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

   The presumption under Ind AS 109 with reference to significant increases in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Company, as the Company is able to collect a significant portion of its receivables that exceed the due date.

Financial Liabilities and Equity Instruments

i. Classification as debt or equity

   Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

ii. Equity instruments

   An equity instrument is any contract that evidences residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue cost.

iii. Financial liabilities

   All financial liabilities are subsequently measured at amortised cost using effective interest method of FVTPL.

   a) Financial liabilities at FVTPL

      Financial liabilities are classified as at FVTPL when the financial liability is held for trading or designated as at FVTPL.

      Financial liability at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss. The net gain or loss recognised in profit and loss incorporates any interest paid on the financial liability and is included in 'Other Income'.

   b) Financial liabilities subsequently measured at amortised cost

      Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amount of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expenses that is not capitalised as part of cost of an asset is included in 'finance cost'.

      The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instrument and are recognised in other income. The fair value of financial liabilities denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liability that are measured at FVTPL, the foreign exchange component forms part of fair value gains or losses and is recognised in the Statement of Profit and Loss.

iv) Derecognition of financial liabilities

The Company derecognises financial liability when, and only when, the Company obligations are discharged, cancelled and have expired. An exchange between with a lender of debt instrument is substantially different term is accounted for as and extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of a term of existing financial liability is accounted for as and extinguishment of the original financial liability and recognition of new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss.

O. New Accounting Standards, Amendments to Existing Standards, Annual Improvements, Interpretations, etc. applicable to the Company effective subsequent to March 31, 2025

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements (Refer note 18).

3. Ind AS 12, International Tax Reform – The Organisation for Economic Co-operation and Development (OECD) has published the model rules for global minimum tax (Pillar Two model rules). Based on the current assessment, the Company does not expect a material financial impact from the application of the Pillar Two rules.

Note 3 - Critical Judgements, estimations and assumptions in applying Accounting Policies:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed appropriately. Accounting estimates could change from period to period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

1. The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2. The Company uses the percentage-of-completion method in accounting for its contract revenue. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

3. In case of Property, Plant and Equipment and Intangible assets, the charge in respect of periodic depreciation/ amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

4. Ind AS 116 requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no material changes are required to lease period relating to the existing lease contracts. Refer note no 2 (M).

5. The cost of defined benefit plans, compensated absences and the present value of defined benefit obligations based on current actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of discount rate, salary increment and mortality rates. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note 4 - Property, Plant and Equipment and capital work-in-progress

(₹ in millions)

Particulars / Class of Assets	As at March 31, 2026	As at March 31, 2025
Carrying amounts of :		
Freehold land	3	3
Buildings	396	440
Plant and machinery	200	211
Computers and networks	173	211
Furniture and fixtures	39	31
Office equipments	162	136
	973	**1,032**
Capital work-in-progress (Refer note 43)	29	32
	1,002	**1,064**

(₹ in millions)

Particulars / Class of Assets	Freehold land	Buildings	Plant and machinery	Computers and networks	Furniture and fixtures	Office equipments	Total
Cost or deemed cost							
Balance at March 31, 2024	**3**	**886**	**692**	**806**	**133**	**288**	**2,808**
Additions	-	7	65	181	8	10	271
Disposals/ assets written off	-	-	(21)	(96)	(0)	(16)	(133)
Balance at March 31, 2025	**3**	**893**	**736**	**891**	**141**	**282**	**2,946**
Additions	-	24	46	127	18	58	273
Disposals/ assets written off	-	(18)	(26)	(2)	(8)	(0)	(54)
Balance at March 31, 2026	**3**	**899**	**756**	**1,016**	**151**	**340**	**3,165**
Accumulated depreciation and impairment (if any)							
Balance at March 31, 2024	**-**	**384**	**470**	**609**	**97**	**127**	**1,687**
Eliminated on disposal/ assets written off	-	-	(18)	(96)	(0)	(15)	(129)
Depreciation expenses	-	69	73	167	13	34	356
Balance at March 31, 2025	**-**	**453**	**525**	**680**	**110**	**146**	**1,914**
Eliminated on disposal/ assets written off	-	(17)	(22)	(2)	(6)	(0)	(47)
Depreciation expenses	-	67	53	165	7	32	324
Balance at March 31, 2026	**-**	**503**	**556**	**843**	**112**	**178**	**2,192**
Carrying Amount							
Balance at March 31, 2025	**3**	**440**	**211**	**211**	**31**	**136**	**1,032**
Balance at March 31, 2026	**3**	**396**	**200**	**173**	**39**	**162**	**973**

Note : Title deeds of all the immovable properties are held in the name of the Company.

Note 5 - Intangible assets

(₹ in millions)

Particulars / Class of Assets	As at March 31, 2026	As at March 31, 2025
Computer software	2	3
	2	**3**

(₹ in millions)

Particulars / Class of Assets	Computer software
Cost or deemed cost	
Balance at March 31, 2024	**2**
Additions	3
Disposals/ write off	-
Balance at March 31, 2025	**5**
Additions	1
Disposals/ write off	-
Balance at March 31, 2026	**6**
Accumulated amortisation and impairment (if any)	
Balance at March 31, 2024	**2**
Eliminated on disposal/ assets written off	-
Amortisation expenses	0
Balance at March 31, 2025	**2**
Eliminated on disposal/ assets written off	-
Amortisation expenses	2
Balance at March 31, 2026	**4**
Carrying Amount	
Balance at March 31, 2025	**3**
Balance at March 31, 2026	**2**

During the year ended March 31, 2026 and March 31, 2025, there is no movement in property, plant and equipment and intangible asset on account of revaluation, business combination, impairment.

The aggregate depreciation has been included under depreciation and amortization expense in the statement of Profit and Loss.

Note 6 - Trade receivables

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Non-Current		
Undisputed trade receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	221	154
Less: Impairment loss on trade receivables	-	-
Total	**221**	**154**
Current		
Undisputed trade receivables		
(a) Secured, considered good	-	-
(b) Unsecured, considered good	12,177	11,766
Less: Impairment loss on trade receivables	(568)	(493)
	11,609	11,273
(c) Unsecured, considered credit impaired	-	-
Less: Impairment loss on trade receivables	-	-
	-	-
Total	**11,609**	**11,273**

Also, refer note 21.1(B) below and note 29 for related party balances and note 37-B for ageing.

The Company has used a practical expedient by computing the impairment loss on trade receivables based on a provision matrix. This provision matrix is based on judgement considering past experience. The provision matrix at the end of reporting period is as follows:

Ageing

	Impairment loss %	
	March 31, 2026	March 31, 2025
0-90 days past due (Including contractual long term unbilled)	0.74%	0.32%
More than 90 days past due	15.57%	12.31%

Age of trade receivables

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
0-90 days past due	9,426	8,611
More than 90 days past due	2,972	3,309
Total	**12,398**	**11,920**

Movement in the impairment loss on trade receivables

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	493	501
Add: Impairment loss during the year	308	303
Less: Amounts recovered / reversed in the current year	(233)	(311)
Balance at the end of the year	**568**	**493**

The concentration of credit risk is limited due to the fact that the customer base is large.

The Company determines the impairment loss based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company has specifically evaluated the potential impact with respect to customers which could have an immediate impact and the rest which could have an impact with expected delays. Basis this assessment, the impairment loss for trade receivables as at March 31, 2026 is considered adequate.

The average credit period on sales of goods and services is 30-90 days. No interest is charged on outstanding trade receivables.

Note 7 - Cash and cash equivalents

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	3,314	4,994
In deposit accounts (Original maturity less than 3 months)	2,333	26,310
Total	**5,647**	**31,304**

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

The deposits maintained by the Company with banks and financial institutions comprise time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

Note 8 - Bank balances other than Cash and cash equivalents

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Other bank balances		
Deposits with original maturity more than 3 months but less than 12 months	32,403	1,600
Unpaid dividend account	8	8
Total	**32,411**	**1,608**

Note 9 - Other financial assets

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Non-Current		
Unsecured security deposits [net of impairment loss ₹ 17 million, (March 31, 2025 ₹ 19 million)]	152	113
Earnest money deposits [net of impairment loss ₹ 23 million, (March 31, 2025 ₹ 16 million)]	-	-
Total	**152**	**113**
Current		
Deposits against bank guarantee	3	7
Interest accrued on deposits with banks	517	225
Unsecured security deposits	7	14
Earnest money deposits	13	6
Other financial assets [net of impairment loss of Nil; (March 31, 2025 Nil)]	3	21
Total	**543**	**273**

Note 10 - Income tax assets and Income tax liabilities

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Income tax assets [net of provision for tax ₹ 11,015 millions; (March 31, 2025 ₹11,015 million)]	243	245
Total	**243**	**245**
Income tax liabilities [net of advance tax for tax ₹ 9,618 millions; (March 31, 2025 ₹ 7,283 million)]	578	903
Total	**578**	**903**

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Profit before tax	7,088	7,056
Tax expenses	1,838	1,820
Effective tax rate	**25.93%**	**25.80%**
Net impact of deduction/exemption and disallowance	(0.76%)	(0.63%)
Applicable tax rate as per Income Tax Act, 1961	**25.17%**	**25.17%**

Note 11 - Deferred tax asset (Net)

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Deferred tax liability (A)	-	-
Deferred tax assets (B)	1,121	910
Deferred tax assets (net) (B-A)	**1,121**	**910**

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

2025-26

	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to				
Impairment Loss on trade and other receivables	221	47	-	268
Depreciation and amortisation	58	14	-	72
Gain / (loss) on hedging instruments	3	(1)	42	44
Provision for estimated cost to complete contract	199	2	-	201
Provision for compensated absences	69	8	-	77
Provision for other expenses	178	6	-	184
Provision for gratuity and other retirement benefits	81	74	(3)	152
Provision for Bonus	60	9	-	69
Lease liabilities	7	8	-	15
Others	34	5	-	39
Total	**910**	**172**	**39**	**1,121**

2024-25

	Opening Balance	Recognised in the Statement of Profit and Loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to				
Impairment Loss on trade and other receivables	209	12	-	221
Depreciation and amortisation	41	17	-	58
Gain / (loss) on hedging instruments	(5)	4	4	3
Provision for estimated cost to complete contract	67	132	-	199
Provision for compensated absences	61	8	-	69
Provision for other expenses	181	(3)	-	178
Provision for gratuity and other retirement benefits	62	3	16	81
Provision for Bonus	52	8	-	60
Lease liabilities	5	2	-	7
Others	30	4	-	34
Total	**703**	**187**	**20**	**910**

Note 12 - Other assets

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Non-current		
Balances with Government authorities (including payments made under protest)	474	469
Prepaid expenses	72	90
Total	**546**	**559**
Current		
Balances with Government authorities (including GST, Customs)	731	586
Amounts due from customers under construction contracts (refer note 21.1(B) and note below) [net of impairment loss of ₹ 495 million; (March 31, 2025 ₹ 385 million)]	4,649	4,389
Advances recoverable in cash or kind	77	94
Advances to employees	71	55
Prepaid expenses	54	63
Total	**5,582**	**5,187**

Movement in the impairment loss on amounts due from customers under construction contracts

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	385	329
Add: Impairment loss during the year	290	281
Less: Amounts billed / reversed during the year	(179)	(225)
Balance at the end of the year	496	385

The impairment loss is calculated considering the likelihood of change in billing patterns, liquidation and recoverability plans. Basis this assessment, the impairment loss for amounts due from customers under construction contracts as at March 31, 2026 is considered adequate.

Note 13 - Inventories

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Inventories (lower of cost and net realisable value)		
Raw materials [includes in transit: ₹ 54 million (March 31, 2025 : ₹ 228 million)]	679	1,140
Work-in progress	89	52
Finished goods	302	354
Stock-in-trade (in respect of goods acquired for trading)	1,098	826
Total	**2,168**	**2,372**

The mode of valuation of inventories is stated in note 2(F)

Refer note 29 for related party balances.

The amount of inventories recognised as an expense is ₹ 29,126 million (March 31, 2025: ₹ 25,869 million)

During the year ₹ 53 million (net) was recognised as write down of inventory. In previous year, reversal of write down of inventory was ₹ 32 million (net).

Note 14 - Equity share capital

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Authorised:		
10,000,000 (March 31, 2025: 10,000,000) equity shares of ₹10 each	100	100
	100	**100**
Issued:		
8,841,697 (March 31, 2025: 8,841,697) equity shares of ₹10 each	88	88
	88	**88**
Subscribed and paid up:		
8,841,523 (March 31, 2025: 8,841,523) equity shares of ₹ 10 each (fully paid up)	88	88
Total	**88**	**88**

(a) Rights, preferences and restrictions attached to the shares

Equity shares: The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(b) Reconciliation of shares:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (₹ in millions)	Number of shares	Amount (₹ in millions)
Equity shares				
Balance as at the beginning and end of the year	8,841,523	88	8,841,523	88

(c) Shares held by the holding company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount (₹ in millions)	Number of shares	Amount (₹ in millions)
Equity shares:				
HAIL Mauritius Limited (Holding company)	6,631,142	66	6,631,142	66

There are no changes in promoter's shareholding during the year ended March 31, 2026 and March 31, 2025

(d) Number of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Percentage	Number of shares	Percentage
HAIL Mauritius Limited (Holding company)	6,631,142	75%	6,631,142	75%

e) 6,631,142 (March 31, 2025 : 6,631,142) Equity shares constituting 75% (March 31, 2025 : 75%) of the paid-up capital of the Company are held by Honeywell International Inc., the ultimate holding company, through its 100% subsidiary, HAIL Mauritius Limited.

f) The Company has neither allotted any shares as fully paid up bonus shares nor pursuant to contract(s) payment being received in cash during 5 years immediately preceding March 31, 2026.

Note 15 - Other equity

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Securities Premium (A) (*)	158	158
Group share based payment reserve (B)	233	195
General Reserve (C)	1,855	1,855
Other comprehensive Income (D)		
Effective portion of cash flow hedge (net)	(125)	(1)
Retained Earnings (E)	42,418	38,087
Total (A+B+C+D+E)	**44,539**	**40,294**

(*) The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Securities premium

Securities premium represents the excess of the issue price of shares over their face value less registration, other regulatory fees and net of related tax benefits and is utilised in accordance with the provisions of the Companies Act, 2013

Group share based payment reserve

The Company has share option schemes under which Honeywell International Inc. (HII), the ultimate holding company, may grant stock options and restricted stock awards to certain employees under its stock incentive plan. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer Note 33 for further details of these plans.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purpose. There is no policy for regular transfer.

Retained Earnings

Retained earnings represents the profits that the Company has earned till date.

Effective portion of cash flow hedge

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the Effective portion of cash flow hedge reserve. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the related forecasted transaction.

Note 16 - Provisions

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Non Current		
Gratuity and other retirement benefits (refer note 36)	263	202
Provision for Warranty (refer note 35)	27	20
Total	**290**	**222**
Current		
Compensated absences	306	273
Gratuity and other retirement benefits (refer note 36)	362	151
Provision for Warranty and other potential claims (refer note 35)	44	28
Provision for litigations/ disputes (refer note 35)	260	267
Provision for estimated cost to complete on contracts (refer note 35)	797	789
Total	**1,769**	**1,508**

Note 17 - Lease liabilities

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Non Current		
Lease liabilities (refer note 2 (M) and note 30)	878	844
Total	**878**	**844**
Current		
Current maturities of lease liabilities (refer note 2 (M) and note 30)	227	165
Total	**227**	**165**

Note 18 - Trade payables

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Current		
Total outstanding dues of micro enterprises and small enterprises; and	942	790
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,313	8,739
Total	**10,255**	**9,529**

Trade payables principally comprise amounts outstanding for trade purchases. The average credit period taken for trade purchases is 90-180 days. For most of the suppliers, no interest is charged on trade payable. The Company has financial risk management policies in place to ensure that all payables are paid within pre-agreed credit terms.

The company has supplier finance arrangements with its suppliers. However, this arrangement does not result in extended credit terms for the Company. The Company obtains a credit period in the range of 90-180 days irrespective of the arrangement. The total liabilities outstanding as on March 31, 2026, under suppliers financing arrangement is ₹768 million (refer note 37 for liquidity risk analysis)

* Refer note 37-B for ageing schedule from due date of payment and note 44 for struck off companies. Refer note 29 for related party transactions.

Note 19 - Other financial liabilities

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Non Current		
Accrued employee liabilities	18	21
Total	**18**	**21**
Current		
Unclaimed dividend	8	8
Foreign currency forward contracts designated in hedge accounting relationships	175	13
Creditors for capital goods	6	51
Accrued employee liabilities	378	312
Total	**567**	**384**

Note 20 - Other current liabilities

(₹ in millions)

	As at March 31, 2026	As at March 31, 2025
Contract liabilities		
Deferred revenue (refer note 21.1(B))	372	331
Amount due to customers under construction contract (refer note 21.1(B))	1,631	1,094
Advances from customers	390	207
Statutory dues (including Provident Fund, Tax deducted at Source and GST on reverse charge mechanism)	688	456
Total	**3,081**	**2,088**

Note 21 - Revenue from operations

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers (refer note 21.1)		
Manufactured products and jobs	26,803	23,596
Traded products	6,454	6,082
Sale of services	13,528	12,139
Other operating revenue		
Scrap sale	8	7
Refund of taxes and duties	26	72
Total	**46,819**	**41,896**

Note 21.1 - Revenue from contracts with customers

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
A. Disaggregation of revenue		
(a) Timing of revenue recognition		
Point in time	8,990	8,937
Over time	37,795	32,880
(b) Geographical location		
India	31,272	27,051
Other	15,513	14,765
(c) Type of contract		
Fixed price	34,328	30,351
Time and material	12,457	11,466

B. Contract balances

Progress on satisfying performance obligations under contracts with customers and the related billings and cash collections are recorded in accounts receivable and the unbilled receivables in Other current assets. The customer advances are recorded as Contract Liabilities in Other Current Liabilities. Unbilled receivables (Contract Assets) arise when the timing of cash collected from customers differs from the timing of revenue recognition, such as when contract provisions require specific milestones to be met before a customer can be billed. Those assets are recognized when the revenue associated with the contract is recognized prior to billing and derecognized when billed in accordance with the terms of the contract. Contract liabilities are recorded when a milestone is met triggering the contractual right to bill but revenue recognised over time is not recognized.

When contracts are modified to account for changes in contract specifications and requirements, the Company considers whether the modification either creates new or changes the existing enforceable rights and obligations. Contract modifications that are for goods or services that are not distinct from the existing contract, due to the significant integration with the original good or service provided, are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and the measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis. When the modifications include additional performance obligations that are distinct, they are accounted for as a new contract and performance obligation, which are recognized prospectively.

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Opening balances		
Contract receivables (net of impairment loss)	11,426	9,787
Contract assets (net of impairment loss)	4,389	4,873
Contract liabilities	1,632	1,054
Closing balances		
Contract receivables (net of impairment loss)	11,830	11,426
Contract assets (net of impairment loss)	4,649	4,389
Contract liabilities	2,393	1,632
(b) Revenue recognised from opening balance of contract liability	1,273	825
(c) Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-

The net change was primarily driven by the increase in recognition of revenue as performance obligations were satisfied exceeding milestone billings.

C. Performance obligation

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. When contracts with customers require highly complex integration or manufacturing services that are not separately identifiable from other promises in the contracts and, therefore, not distinct, then the entire contract is accounted for as a single performance obligation. Performance obligations are satisfied as of a point in time or over time. Performance obligations are supported by contracts with customers, providing a framework for the nature of the distinct goods, services or bundle of goods and services. The timing of satisfying the performance obligation is typically indicated by the terms of the contract. Typical payment terms of fixed-price over time contracts include progress payments based on specified events or milestones, or based on project progress. For some contracts the Company may be entitled to receive an advance payment. The Company provides standard warranty on its products and records obligation on the same based on past trend.

D. Transaction price

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Amount of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied)	16,212	12,319
Reconciliation of revenue		
Contracted Price	46,883	41,884
Liquidated Damages	(98)	(67)
Revenue as per Statement of Profit & Loss	46,785	41,817

The Company has applied the practical expedient for certain revenue streams to exclude the value of remaining performance obligations for contracts with an original expected term of one year or less. Performance obligations recognized as at the year end will be satisfied over the course of future periods. The disclosure of the timing for satisfying the performance obligation is based on the requirements of contracts with customers. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts and periodic revalidations.

There is no significant financing component included in the transaction price for any of the contracts with customers.

Note 22 - Other Income

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income earned on financial assets that are not designated as a fair value through the Statement of Profit and Loss		
i) Bank Deposits	1,785	1,774
ii) Other financial assets carried at amortised cost	7	6
Foreign exchange gain/ (loss) (net) *	(30)	4
Interest on income tax and VAT refund	6	2
Liabilities no longer required written back	5	12
Miscellaneous income	17	23
Total	**1,790**	**1,821**

* Foreign exchange gain/ (loss) is clubbed under Other Income

Note 23 - Cost of materials consumed

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Raw materials consumed		
Opening inventory	1,140	698
Add: Purchases (net)	23,567	21,964
Less: Inventory at the end of the year	679	1,140
Cost of raw materials consumed	**24,028**	**21,522**

Note 24 - Changes in inventories of finished goods, work-in-progress and stock in trade

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
(Increase)/ decrease in stock		
Stock at the beginning of the year		
Finished goods	354	59
Work in progress	52	102
Stock-in-trade (in respect of goods acquired for trading)	826	732
Total (A)	**1,232**	**893**
Stock at the end of the year		
Finished goods	302	354
Work in progress	89	52
Stock-in-trade (in respect of goods acquired for trading)	1,098	826
Total (B)	**1,489**	**1,232**
(Increase)/ decrease in stock (A-B)	**(257)**	**(339)**

Note 25 - Employee benefits expense

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	7,774	6,742
Share based payment (refer note 33)	38	29
Contribution to Provident and Other Funds (refer note 36)	445	385
Staff welfare expenses	130	100
Total	**8,387**	**7,256**

Note 26 - Finance cost

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Interest cost on lease liabilities (refer note 30)	67	56
Interest payable to MSME (refer note 32)	5	5
Other interest cost	25	6
Total	**97**	**67**

Note 27 - Other expenses

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Power and fuel	123	93
Rent [refer note 2 (M) and 30]	76	82
Rates and taxes	44	53
Repairs and maintenance		
Plant and machinery	9	14
Others	214	171
	223	185
Auditors remuneration		
As Statutory auditors (including limited reviews)	7	5
Tax Audit services	1	1
Others	0	0
	8	6
Travelling and conveyance	489	561
Warranty expenses (refer note 35)	144	15
Communication expenses	23	21
Insurance	18	22
Loss on sale / write off of Property, Plant and Equipment (net)	18	2
Sales commission	7	29
Professional fees	331	344
Bad debts written off (net of impairment loss) (refer note 27.1)	296	316
Corporate overhead allocations (refer note 29)	1,582	1,424
Expenditure towards Corporate Social Responsibility (refer note 38 and 29)	130	113
Bank Charges	59	57
Miscellaneous expenses	17	8
Total	**3,588**	**3,331**

Note 27.1 - Bad debts written off (net of impairment loss)

(₹ in millions)

	Year ended March 31, 2026	Year ended March 31, 2025
Bad debts written off	111	268
Impairment loss / (reversal)	185	48
Bad debts written off (net of impairment loss)	**296**	**316**

Note 28 - Segment information

Information reported to the Chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses only on one business segment i.e. Automation & Control Systems. There are no other reportable segments.

Geographical Information:

The Company operates in two principal geographical areas, viz. India and Others. Revenue by location of operations and information about its non- current assets is given below:

(₹ in millions)

Particulars	Revenue from customer for the year ended		Non current assets* as at	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
India	31,306	27,131	2,048	2,048
Other	15,513	14,765	-	-
Total	**46,819**	**41,896**	**2,048**	**2,048**

* Property, Plant and Equipment, Right-Of-Use Assets, Capital work in progress and Intangible assets used in the Company's business have not been identified to "India" or "Other", as they are used interchangeably.

Note 29 - Related Party Disclosure

List of related parties (as identified and certified by the Management)

i)	**Parties where control exists**	
	HAIL Mauritius Limited, Holding company	
	Honeywell International Inc., Ultimate holding company	
	Other related parties with whom transactions have taken place during the year:	
ii)	**Fellow Subsidiaries**	
	AO Honeywell	Honeywell Iraq LLC
	AUTOMATION AND CONTROL SOLUTIONS LIMITED	Honeywell Japan Ltd.
	Callidus Technologies International, L.L.C.	Honeywell Kuwait International For Computer Technology And Technical Services SPC
	Compressor Controls LLC	Honeywell Life Safety AS
	Eclipse Combustion Equipment (Suzhou) Co. Ltd.	Honeywell Limited [Australia]
	Eclipse Combustion Private Limited	Honeywell Limited [Hong Kong]
	Eclipse, Inc.	Honeywell Limited [New Zealand]
	Elster Solutions GmbH	Honeywell Marine SAS
	Elster Solutions GmbH	Honeywell Middle East FZE
	Elster - Instromet A/S	Honeywell Middle East Limited
	Elster - Instromet Services Saudi Arabia Ltd.	Honeywell NV
	Elster-Instromet B.V.	Honeywell OY
	Elster American Meter Company, LLC	Honeywell Peru S.A.
	Elster GmbH	Honeywell Portugal Automacao e Controlo S.A.
	Elster Metering Limited	Honeywell Productivity Solutions (Ireland) Limited
	Elster Metering Private Limited	Honeywell Products & Solutions Sàrl
	Elster s.r.o.	Honeywell Pte. Ltd.
	Elster SAS	Honeywell Romania SRL
	Elster Solutions, LLC	Honeywell S.A.I.C.
	Elster-Instromet India Pvt. Ltd.	Honeywell S.L. [Spain]
	Elster-Instromet Sdn. Bhd.	Honeywell S.r.l.
	EnergyICT NV	Honeywell Safety Products Europe SAS
	Enraf B.V.	Honeywell Safety Products USA, Inc.
	Foreign Enterprise Honeywell Ukraine	Honeywell SAS
	Hand Held Products, Inc.	Honeywell Sensing & Control
	Honeywell Costa Rica Sociedad	Honeywell Sensing and Control (China) Co., Ltd.

	Other related parties with whom transactions have taken place during the year (continued):	
ii)	**Fellow Subsidiaries (continued):**	
	Honeywell E.P.E.	Honeywell Southern Africa (Proprietary) Limited
	Honeywell Engineering SDN.BHD.	Honeywell Sp. z.o.o.
	Honeywell Europe BV	Honeywell Szabályozástechnikai Kft.
	Honeywell Europe Services SAS	Honeywell Taiwan Limited
	Honeywell International Morocco	Honeywell Technology Solutions Lab Private Limited
	Honeywell Kuwait K.S.C.	Honeywell Technology Solutions Qatar
	HONEYWELL LIMITED HONEYWELL LIMITÉE	Honeywell Tecnologia Y Seguridad, S.A.
	Honeywell Systems (Thailand) Limited	Honeywell Teknoloji A.Ş. İstanbul Endüstri ve Ticaret Serbest Bölge Şubesi - Branch Office
	Honeywell Universal Manufacturing India Private Limited	Honeywell Teknoloji Anonim Sirketi
	Honeywell & Co. Oman LLC	Honeywell Trading (Shanghai) Co., Ltd.
	Honeywell (China) Advanced Solutions Co., Ltd.	Honeywell Turki-Arabia Limited
	Honeywell (China) Co., Ltd.	HONEYWELL URUGUAY S.R.L.
	Honeywell (Tianjin) Limited	Honeywell Ventures 2 Limited
	Honeywell (Vietnam) Company Limited	Honeywell Ventures 2 Limited - Azerbaijan Branch
	HONEYWELL A/S [Denmark]	Honeywell, S.A. de C.V.
	Honeywell Advanced Limited	Honeywell, spol. s r.o.
	Honeywell Aerospace B.V.	Huo Sheng Industrial Technology Co., Ltd.
	Honeywell AG	Integrated Technical Innovation Company for General Services & Trade LLC.
	Honeywell Aktiebolag	Intelligrated Systems, LLC
	Honeywell Algerie Sarl	Intermec Technologies (S) Pte Ltd
	Honeywell Analytics Inc.	Jiangxi Sanchuan Elster Water Meter Co Ltd
	Honeywell AS [Norway]	LenelS2EKS Access Technologies India Private Limited
	Honeywell Austria Gesellschaft m.b.H.	Life Safety Distribution GmbH
	Honeywell Automation and Control Products Limited	Life Safety Germany GmbH
	Honeywell Automation and Control Solutions Caribbean Limited	Maxon Combustion Systems Limited
	Honeywell Automation and Technologies (BD) Limited	Maxon Corporation
	Honeywell Automation Controls System" limited liability partnership	Maxon International BV
	HONEYWELL AUTOMATION TECHNOLOGY (CHINA) CO.,LTD	MK Electric (Malaysia) SDN BHD
	Honeywell automatizacija i kontrola d.o.o. za savjetovanje i razvoj	Movilizer GmbH
	Honeywell B.V.	Novar ED&S Limited
	HONEYWELL BAHRAIN W.L.L	Novar France SAS
	Honeywell Bryan Donkin Gas Technologies Ltd. [UK]	Novar GmbH
	Honeywell Building Solutions GmbH	Novar Systems Limited
	Honeywell Chile S.A.	Onity Pte. Ltd
	Honeywell Co., Ltd.	Performix, Inc.
	Honeywell Colombia S.A.S.	PT Honeywell Indonesia
	Honeywell Control Systems Limited	S.C.A.M.E. Sistemi S.r.l.
	Honeywell Controls International Ltd.	Saia-Burgess Controls AG
	Honeywell do Brasil Ltda.	Salisbury Electrical Safety L.L.C.
	Honeywell Egypt LLC	SBC Deutschland GmbH
	Honeywell Electrical Devices and Systems India Limited	SCADAfence LTD
	Honeywell Engineering SDN.BHD.	Sine Group Pty. Ltd.
	Honeywell Enraf Americas, Inc.	Sinopec-Honeywell (Tianjin) Ltd.
	Honeywell Environmental and Combustion Controls (Tianjin) Co., Ltd.	Sparta Systems, Inc.
	Honeywell EOOD	Sundyne Pumps And Compressors India Private Limited
	Honeywell GmbH	Trend Control Systems Limited
	Honeywell Healthcare Solutions GmbH	Tridium Asia Pacific Pte Ltd

	Other related parties with whom transactions have taken place during the year (continued):	
ii)	**Fellow Subsidiaries (continued):**	
	Honeywell Holdings Pty Ltd	Tridium, Inc.
	Honeywell Hometown Solutions India Foundation	UOP India Pvt. Ltd.
	Honeywell HPS s. r. o.	UOP LLC
	Honeywell International (India) Private Limited	UOP Ltd
	Honeywell International Middle East Ltd.	Honeywell International Sdn. Bhd.
	Honeywell International Philippines Inc.	Honeywell Measurex (Ireland) Limited
	Honeywell International Sàrl	Honeywell Gas Technologies GmbH
	Honeywell Middle East B.V.	
	BW Technologies Partnership	
iii)	**Parties with common key management personnel**	
	Trinity Mobility Pvt Ltd (till November 8, 2024)	
iv)	**Key Management Personnel**	
	Mr. Ashish Gaikwad, Managing Director till May 15, 2024	
	Mr. Atul Vinayak Pai, Managing Director w.e.f. May 16, 2024	
	Mr. Pulkit Goyal, CFO	
	Ms. Indu Daryani, Company Secretary	
v)	**Independent Directors**	
	Mr. Ganesh Natarajan	
	Ms. Neera Saggi	

Honeywell group includes all subsidiaries of Honeywell International Inc (HII).

The Company's material related party transactions during the years ended March 31, 2026 and March 31, 2025 and outstanding balances as at March 31, 2026 and March 31, 2025 with whom the Company generally enters into transactions which are at arm's length and in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs as per Company's Intercompany policy.

(₹ in millions)

Transactions With Related Parties	Volume of transactions for year ended		Amount outstanding as at			
Description of the nature of transactions	March 31, 2026	March 31, 2025	March 31, 2026		March 31, 2025	
			Receivable/ Unbilled	Payable / Provision	Receivable/ Unbilled	Payable / Provision
Sale of goods, services, assets and reimbursement of expenses						
Ultimate Holding Company						
Honeywell International Inc.	4,077	3,615	412	-	468	-
Total	**4,077**	**3,615**	**412**	**-**	**468**	**-**
Fellow Subsidiaries						
Honeywell Middle East B.V.	3,848	3,642	472	-	775	-
Honeywell Technology Solutions Qatar	1,557	1,915	170	-	300	-
Honeywell Middle East Ltd.	1,257	349	35	-	202	-
Honeywell Turki-Arabia Limited	924	748	124	-	75	-
Honeywell Pte. Ltd.	824	815	220	-	41	-
Honeywell Kuwait K.S.C.	732	312	110	-	125	-
Honeywell Limited [Australia]	598	559	52	-	66	-
Honeywell Limited / Honeywell Limitee	455	382	30	-	26	-
Honeywell Limited [Hong Kong]	373	320	10	-	73	-
UOP LLC	346	463	163	-	295	-

(₹ in millions)

Transactions With Related Parties	Volume of transactions for year ended		Amount outstanding as at			
Description of the nature of transactions	March 31, 2026	March 31, 2025	March 31, 2026		March 31, 2025	
			Receivable/ Unbilled	Payable / Provision	Receivable/ Unbilled	Payable / Provision
Honeywell Technology Solutions Lab Private Limited	272	115	136	-	92	-
Other Fellow Subsidiaries	3,322	4,052	854	-	1,043	-
Total	**14,508**	**13,672**	**2,376**	**-**	**3,113**	**-**
Purchase of goods, services and assets (including GIT)						
Ultimate Holding Company						
Honeywell International Inc.	2,082	2,235	-	797	-	812
Total	**2,082**	**2,235**	**-**	**797**	**-**	**812**
Fellow Subsidiaries						
Honeywell Measurex (Ireland) Limited	5,018	5,052	-	737	-	807
Honeywell International Sàrl	2,024	1,495	-	436	-	363
Honeywell International (India) Private Limited	1,701	1,476	-	379	-	208
Honeywell Environmental and Combustion Controls (Tianjin) Co., Ltd.	665	547	-	418	-	115
Honeywell (Tianjin) Limited	341	375	-	186	-	77
Honeywell Products & Solutions Sàrl	326	449	-	147	-	63
Honeywell Universal Manufacturing India Private Limited	271	1	-	12	-	0
Honeywell Sensing and Control (China) Co., Ltd.	262	127	-	145	-	22
Honeywell Advanced Limited	202	101	-	71	-	36
Honeywell Technology Solutions Lab Private Limited	179	197	-	43	-	42
Other Fellow Subsidiaries	667	893	-	426	-	339
Total	**11,656**	**10,713**	**-**	**3,000**	**-**	**2,072**
Others						
Parties with common key management personnel	-	40	-	-	-	-
Total	**-**	**40**	**-**	**-**	**-**	**-**
Expenditure towards Corporate Social Responsibility						
Fellow Subsidiaries						
Honeywell Hometown Solution India Foundation	130	113	-	-	-	-
Total	**130**	**113**	**-**	**-**	**-**	**-**
Dividends paid						
Holding Company						
HAIL Mauritius Limited	696	663	-	-	-	-
Total	**696**	**663**	**-**	**-**	**-**	**-**

Remuneration to Independent Directors

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Sitting Fees	1	1
Commission	5	5
Total	**6**	**6**

Remuneration to Key Management Personnel

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Short term benefits	63	61
Post-employment benefits*	5	6
Other long-term benefits	7	5
Share-based payments	25	26

* The Provision for post-employment benefit are determined by way of Actuarial Valuation for a Company as a whole.

The Company generates a large percentage of its sales and profits from its business with the Honeywell group (Honeywell), its major shareholder. Sales to Honeywell group accounted for approximately 40% and 41% of our total net sales for the year ended March 31, 2026 and year ended March 31, 2025 respectively. The Company's ability to maintain or grow its business with Honeywell depends upon a number of performance factors. However, the Company cannot be assured that its level of sales and profits associated with its relationship with Honeywell will continue. Honeywell-specific business considerations (independent of its shareholding in the Company), including changes in Honeywell's strategies regarding utilization of alternate opportunities available to it to source products and services currently provided by the Company (including from alternate sources which Honeywell may acquire or develop within its own group), may also reduce the level and/or mix of Honeywell's business with the Company.

Note 30 - Leases

The Company has entered into leases for office premises. These lease arrangements range for a period between 36 months and 120 months.

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
	Building	Building
Balance as at the beginning of the year	981	577
Additions	273	592
Adjustment	-	-
Depreciation	(211)	(188)
Balance as at the end of the year	**1,043**	**981**

Following are the changes in carrying value of lease liabilities during the year ended:

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	1,009	596
Additions	262	575
Adjustment	-	-
Interest cost accrued during the year	67	56
Payments	(233)	(218)
Balance as at the end of the year	**1,105**	**1,009**

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Total cash outflow arising out of leases	(233)	(218)

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Expense relating to short-term leases and leases of low-value assets	76	82

Maturity analysis of lease liabilities

As a lessee under operating leases

(₹ in millions)

Particulars	Year ended	
	March 31, 2026	March 31, 2025
2026-27	298	228
2027-28	288	236
2028-29	266	221
2029-30	165	196
2030-31 and thereafter	313	361
Total lease payments	**1,330**	**1,242**
Less: Interest	225	233
Total	**1,105**	**1,009**

The leases that the Company has entered with lessors towards office premises are long term in nature.

Note 31 - Earning per share (EPS)

EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of shares outstanding during the year. The basic and diluted earnings per share have been calculated as under:

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Profit after tax (₹ in millions)	5,250	5,236
Weighted average number of equity shares	88,41,523	88,41,523
Basic/ Diluted earnings per share (₹)	593.81	592.15
Face value per share (₹)	10	10

Note 32 - Disclosure with reference to micro and small enterprises in accordance with Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

(₹ in millions)

Sr No	Particulars	March 31, 2026	March 31, 2025
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting period		
	- Principal amount outstanding	942	790
	- Interest thereon	5	5
ii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period		
	- Interest paid in terms of Section 16	-	9
	- Delayed principal payments	267	268
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
	- Normal Interest accrued during the year, for all the delayed payments, as per the agreed terms and not as payable under the Act	-	-
	- Normal Interest payable during the year, for the period of delay in making payment, as per the agreed terms and not as payable under the Act.	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting period		
	- Total interest accrued during the period	5	5
	- Total Interest remaining unpaid out of the above as at the balance sheet date	5	5
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		
	Outstanding interest at the end of current year	24	19
	Outstanding interest at the end of previous year	19	23

The Company has compiled this information based on intimations received from suppliers of their status as Micro or Small enterprises and / or its registration with the appropriate authority under Micro, Small and Medium Enterprises Development Act, 2006 (as amended from time to time).

Note 33 - Share Based Payments

Employee share option plan of the company

Honeywell International Inc. (HII), the ultimate holding company, may grant stock options and restricted stock awards to certain employees under its stock incentive plan.

Stock Options—The exercise price, term and other conditions applicable to each option granted under the stock plans are generally determined by the Management Development and Compensation Committee of the Board of Honeywell International Inc. The exercise price of stock options is set on the grant date and may not be less than the fair market value per share of the stock on that date. The fair value is recognized as an expense over the employee's requisite service period (generally the vesting period of the award). Options generally vest over a four-year period and expire after ten years.

Restricted Stock Units—Restricted stock unit (RSU) awards entitle the holder to receive one share of common stock for each unit when the units vest. RSUs are issued to certain employees as compensation at fair market value at the date of grant. RSUs typically become fully vested over periods ranging from three to seven years and are payable in Honeywell common stock upon vesting.

Fair value of share options granted in the year

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes option-pricing model. Expected volatility is based on implied volatilities from traded options on common stock of HII and historical volatility of common stock of HII. Monte Carlo simulation model is used to derive an expected term which represents an estimate of the time options are expected to remain outstanding. Such model uses historical data to estimate option exercise activity and post-vest termination behaviour. The risk-free rate for periods within the contractual life of the option is based on the U.S. treasury yield curve in effect at the time of grant.

The inputs used in the measurement of the fair values at grant date of the Stock options were as follows.

Grant Date	Mar-26	Mar-25
Exercise price (USD)	244.19	213.55
Exercise price in equivalent INR*	22,964	18,303
Expected volatility	23.95%	23.24%
Option life	5.32	4.92
Dividend yield	2.39%	2.51%
Risk-free interest rate	3.57%	3.89%
Fair value per share	$52.18	$43.67
Fair value per share in equivalent INR*	4,907	3,743

* Converted at ₹ 94.04/ USD (March 31, 2025 - ₹ 85.71 / USD)

The following share-based payment arrangements were in existence during the current and previous year :

A) Restricted stock option

Options series			Equivalent fair value INR*		Number	
	Grant date	Fair value at grant date	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
2016DIV RSU	30-Jul-20	151.05	14,205	12,946	535	523
2016DIV RSU	29-Jul-21	232.3	21,845	19,910	347	669
2016 RSU	29-Jul-21	219.49	-	18,812	-	120
2016 RSU	1-Jun-22	179.99	-	15,427	-	83
2016DIV RSU	28-Jul-22	189.18	17,790	16,215	352	679
2016 RSU	8-Aug-22	181.78	-	15,580	-	103
2016 RSU	23-Feb-23	194.31	-	16,654	-	173
2016DIV RSU	23-Feb-23	194.31	-	16,654	-	382
2016 RSU	1-Jun-23	181.28	-	15,538	-	118
2016 RSU	1-Aug-23	182.8	17,191	15,668	223	340
2016 RSU	1-Mar-24	186.55	17,543	15,989	176	458
2016DIV RSU	1-Mar-24	197.51	18,574	16,929	421	412
2016DIV RSU	1-Aug-24	204.13	19,196	17,496	1,045	1,022
2016DIV RSU	3-Mar-25	213.55	20,082	18,303	385	377
2016 RSU	3-Mar-25	201.12	18,913	17,238	525	785
2016 RSU	3-Nov-25	185.29	17,425	-	417	-
2016 RSU	1-Aug-24	193.11	18,160	-	66	-
2016DIV RSU	23-Feb-26	244.19	22,964	-	717	-
Total					**5,209**	**6,244**

* Converted at ₹ 94.04/ USD (March 31, 2025 - ₹ 85.71 / USD)

B) Stock options

Options series	Grant date	Expiry date	Exercise price	Fair value at grant date	Equivalent fair value INR*	Number
2016	27-Feb-18	26-Feb-28	148.79	$23.65	2,224	4,131
2016	26-Feb-19	25-Feb-29	154.22	$21.53	2,025	3,299
2016	14-Feb-20	13-Feb-30	180.92	$21.41	2,013	4,726
2016	12-Feb-21	11-Feb-31	202.72	$32.10	3,019	3,431
2016	11-Feb-22	10-Feb-32	189.72	$30.84	2,900	3,259
2016	23-Feb-23	22-Feb-33	194.31	$38.73	3,642	2,229
2016	1-Mar-24	28-Feb-34	197.51	$37.35	3,512	2,096
2016	3-Mar-25	2-Mar-35	213.55	$43.67	4,107	1,828
2016	23-Feb-26	22-Feb-36	244.19	$52.18	4,907	2,166
Total						**27,165**

* Converted at ₹ 94.04/ USD (March 31, 2025 - ₹ 85.71 / USD)

Movements in Restricted Stock Units during the year	Restricted Stock Units	
	2025-26	2024-25
	No of Units	No of Units
Balance at beginning of year	6,244	5,606
Granted during the year	1,275	8,723
Forfeited during the year	226	4,041
Vested and issued during the year	2,084	4,044
Expired during the year	-	-
Balance at end of year	5,209	6,244

Movements in share options during the year	Employee stock option plan			
	2025-26		2024-25	
	No of Options	Weighted average exercise price	No of Options	Weighted average exercise price
Balance at beginning of year	28,895	177.54	15,847	172.01
Granted during the year	2,166		29,360	
Forfeited during the year	6		4,293	
Exercised during the year	3,890		12,019	
Expired during the year	-		-	
Balance at end of year	**27,165**		**28,895**	

Restricted Stock Units vested and issued during the year

	Number Settled	Issue/ Vesting date
2016 RSU	174	23-Feb-23
2016 RSU	168	1-Mar-24
2016 RSU	260	3-Mar-25
2016 RSU	83	1-Jun-22
2016 RSU	120	29-Jul-21
2016 RSU	99	1-Aug-23
2016 RSU	20	1-Aug-23
2016 RSU	104	8-Aug-22
2016DIV RSU	388	23-Feb-23
2016DIV RSU	337	28-Jul-22
2016DIV RSU	331	29-Jul-21
Total	**2,084**	

In connection with the spin-off of the Advanced Materials business from Honeywell International Inc. (HII), all outstanding equity awards were equitably converted to preserve the pre-spin-off value. Accordingly, the above numbers for year ended March 31, 2025 have been restated to that effect.

Note 34 - Contingent Liabilities and Commitments

A) Contingent liabilities

(₹ in millions)

Particulars		March 31, 2026	March 31, 2025
	Claims against the Company not acknowledged as debt		
a)	In respect of direct taxes	405	472
b)	In respect of indirect taxes	198	269
c)	In respect of other	102	-
d)	In respect of third party claims	9	3

Note: It is not practicable for the Company to estimate the timing of cash outflow, if any, in respect of the above pending resolutions of the respective proceedings.

As at March 31, 2026, Contingent liability majorly represent demands arising on completion of assessment proceedings under the Income-tax Act, 1961 and other indirect tax act including GST, excise, custom and sales tax.

These claims are on account of various issues of disallowances, GSTR 2A/2B and GSTR 3B mismatches, or addition in liability by tax liabilities related to various issues including C- forms, WCT TDS etc.

These matters are pending before various appellate authorities and the Management including its tax advisors expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

Third party claims against company not acknowledged as debts includes ongoing cases pending in commercial court/ Arbitral Tribunal in relation to claims/ counter claims raised by few vendors/ customers and the Company for certain commercial teams disagreements.

B) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) - ₹ 1.6 million [March 31, 2025 ₹ 17 million].

Note 35 - Disclosure as required by IND AS -37

(₹ in millions)

	Year ended March 31,	Opening balance	Additions	Utilizations	Reversals	Total
Provision for litigations/ disputes (A)	2026	267	-	(7)	-	260
	2025	232	35	-	-	267
Provision for warranty (B)	2026	48	109	(62)	(24)	71
	2025	59	20	(26)	(5)	48
Provision for estimated cost to complete on contracts (C)	2026	789	1,101	(924)	(169)	797
	2025	268	1,015	(451)	(43)	789

A Litigations/ disputes mainly include:

a) Provision for disputed statutory matters comprises matters under litigation with Sales Tax and Local authorities.

b) The amount of provision made by the Company is based on the estimate made by the Management considering the facts and circumstances of each case.

To the extent the Company is confident that it may have a strong case that portion is disclosed under contingent liabilities.

c) The timing and the amount of cash flows that will arise from these matters will be determined when the matters are settled with respective Appellate Authorities.

B Warranty

Provision for warranty is considered based on the rolling average warranty expense incurred in the preceding 12 months, the warranty period for which ranges from 12 months to 24 months as per provisions of the contracts.

C Provision for Estimated Cost to complete on Contracts

A provision for estimated cost to complete on construction contracts is recognized when it is probable that the total contract cost will exceed total contract revenue. The provision shall be utilized as and when the contract gets executed.

Note 36 - Employee Benefit plans

A) Defined contribution plans

The company has recognized the following amounts in the Statement of Profit and Loss for the year.

(₹ in millions)

Sr No	Particulars	March 31, 2026	March 31, 2025
1	Contribution to employees' superannuation fund	4	4
2	Contribution to employees' provident fund	306	283
	Total	**310**	**287**

The Company has a defined contribution plan in form of provident fund. Contributions are made to the fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

B) Defined benefit plans

The Company also provides for gratuity, covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Principal assumptions used for the purposes of the actuarial valuations were as follows:

Sr No	Particulars	March 31, 2026	March 31, 2025
1	Discount rate	6.85%	6.45%
2	Salary escalation rate	8.50%	8.50%
3	Mortality rate	Gratuity : IALM (2012-14) Ultimate Pension : IIAM Table (2012-15)	Gratuity : IALM (2012-14) Ultimate Pension : IIAM Table (2012-15)
4	Withdrawal rate	Age Based: Upto 35 years -19% 36 to 50 years - 11% Above 50 years - 8%	Age Based: Upto 35 years -19% 36 to 50 years - 11% Above 50 years - 8%
5	Retirement age	60 years	60 years

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Total expense recognised in the statement of Profit and Loss :

(₹ in millions)

Sr No	Particulars	Year ended	
		March 31, 2026	March 31, 2025
1	Current service cost	117	103
2	Past service cost	306	-
3	Net Interest cost	17	22
	Component of defined benefit costs recognised in profit and loss	**440**	**125**
4	Remeasurement of defined benefit liability	-	-
5	Return on plan assets (excluding amounts included in net interest expenses)	-	-
6	Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
7	Actuarial (gain)/loss arising from changes in financial assumptions	(45)	40
8	Actuarial (gain)/loss arising from changes in experience adjustments	49	36
9	Return on plan assets (greater)/ less than discount rate	(16)	(11)
10	Adjustments for restriction on defined benefit asset	-	-
	Component of defined benefit costs recognised in other comprehensive income	**(12)**	**65**
	Total	**428**	**190**

The current service cost and the net interest expenses for the year are included in 'Employee benefits expense' in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Movements in the present value of the defined benefit obligation are as follows.

(₹ in millions)

Sr No	Particulars	Year ended	
		March 31, 2026	March 31, 2025
1	Present value of obligation as at beginning of the year	1,248	1,079
2	Current service cost	117	103
3	Past service Cost	306	-
3	Interest cost	75	80
4	Remeasurement (gains)/losses:		
	Actuarial (gain)/ loss arising from changes in demographic assumptions	-	-
	Actuarial (gain)/ loss arising from changes in financial assumptions	(45)	40
	Actuarial (gain)/ loss arising from changes in experience adjustments	49	36
5	Curtailment cost/(credit)	-	-
6	Settlement cost/(credit)	-	-
7	Benefits paid	(100)	(108)
8	Acquisition/ Divestiture	8	18
9	Present value of obligation as at end of the year	1,658	1,248

Movements in the fair value of the plan assets are as follows.

(₹ in millions)

Sr No	Particulars	Year ended	
		March 31, 2026	March 31, 2025
1	Fair value of plan assets as at beginning of the year	902	817
2	Remeasurement gain/(loss)	16	11
3	Expected return on plan assets	58	56
4	Employers' contribution	150	105
5	Benefits payment from plan asset	(100)	(105)
6	Acquisition/divestiture (related to transfer of employees)	8	18
7	Fair value of plan assets as at end of the year	1,034	902

Amount recognized in the Balance Sheet (for gratuity and other retirement benefits) including a reconciliation of the present value of defined benefit obligation and the fair value of assets.

(₹ in millions)

Sr No	Particulars	March 31, 2026	March 31, 2025
1	Present value of funded obligation	1,658	1,248
2	Fair value of plan assets	1,034	902
3	Net liability recognized in the Balance Sheet	624	346

Sensitivity Analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts.

1 - Sensitivity analysis for each significant actuarial assumptions viz. Discount rate and Salary escalation rate as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is called out in the table below.

2 - The assumptions used in preparing the sensitivity analysis is
Discount rate at +100 bps and – 100 bps
Salary escalation rate at +100 bps and -100 bps

3 - The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

4 - There is no change in the method from the previous period and the points/percentage by which the assumptions are stressed are same as that in the previous year.

Impact of change in discount rate when base assumption is decreased/increased by 100 basis point

(₹ in millions)

Discount rate	March 31, 2026 Present value of Obligation	March 31, 2025 Present value of Obligation
a) Discount rate -100 basis point	1,775	1,339
b) Discount rate +100 basis point	1,553	1,169

Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point

(₹ in millions)

Salary escalation rate	March 31, 2026	March 31, 2025
a) Salary escalation rate -100 basis point	1,547	1,164
b) Salary escalation rate +100 basis point	1,780	1,341

In presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using Projected Unit Credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance sheet.

Percentage of each category of plan assets to total fair value of plan assets

Sr No	Particulars	March 31, 2026	March 31, 2025
1	Insurer managed funds	100%	100%

Gratuity fund contributions are made to Life Insurance Corporation of India Limited (LIC).

The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of the obligations.

The actual return on plan assets is as follows

(₹ in millions)

Sr No	Particulars	Year ended	
		March 31, 2026	March 31, 2025
a	Actual return on plan assets	74	67

A note on other risks

Investment risk - The funds are invested with an external insurer (LIC of India). The insurer manages the gratuity fund and provides quarterly interest returns. Considering LIC is a state insurer with a sovereign guarantee and no history of defaults the investment risk is not significant.

Interest Risk – The gratuity fund managed by an external insurer (LIC of India) is in the form of cash accumulation scheme with interest rates declared annually – A significant fall in interest (discount) rates may not be offset by an increase in value of gratuity fund, hence may pose an interest rate risk.

Longevity Risk – Since gratuity is paid at retirement in form of lump sum and also during service at the time of termination to vested members, longevity risk is not applicable since maximum duration for benefit is till retirement age.

Salary Risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Expected future cash flow of defined benefit obligation:

(₹ in millions)

Year	Year ended	
	March 31, 2026	March 31, 2025
Year -1	173	141
Year -2	184	133
Year -3	181	131
Year -4	171	126
Year -5	193	121
Years 6 to 10	703	539
Total	**1,605**	**1,191**

The Company expects to make a contribution of ₹162 million (31 March 2025: ₹117 million) to the defined benefit plans during the next financial year.

Impact of New Labour Code:

In view of the recent changes to the Labour Codes, the Company has carried out a financial impact assessment of the Code on Wages, 2019, which resulted in an increase in liabilities relating to gratuity (₹ 306 million) and compensated absences (₹ 5 million) arising from past service cost.

As a result, the Company has recognised a net impact amounting to ₹ 123 million, after adjusting related revenue, amounting to ₹ 188 million, summarized as below:

(₹ in millions)

Particulars	Amount
Total past service cost (A)	311
Related revenue (B)	188
Exceptional Item Net (A-B)	**123**

Given the non-recurring nature of this impact arising from the application of the requirements of the Labour Codes, the Company has presented the net impact amounting to ₹ 123 million as an Exceptional Item.

Note 37 - Financial instruments

Categories of financial instrument

(₹ in millions)

Particulars	March 31, 2026			March 31, 2025		
	Within twelve months	After twelve months	Total	Within twelve months	After twelve months	Total
Financial assets						
Measured at amortised cost						
(i) Trade Receivables	10,887	943	11,830	10,457	969	11,426
(ii) Cash and cash equivalents	5,647	-	5,647	31,304	-	31,304
(iii) Bank balances other than (ii) above	32,411	-	32,411	1,608	-	1,608
(iv) Other financials assets						
(a) Deposits against bank guarantee	3	-	3	7	-	7
(b) Interest accrued on deposits with banks	517	-	517	225	-	225
(c) Security deposits	7	152	159	14	113	127
(d) Earnest money deposits	13	-	13	6	-	6
(e) Other financial assets	3	-	3	21	-	21
Financial Liabilities						
Measured at amortised cost						
(i) Trade payables ^						
(A) Total outstanding dues of micro enterprises and small enterprises; and	942	-	942	790	-	790
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	9,313	-	9,313	8,739	-	8,739
(ii) Other financials Liabilities						
(a) Creditors for capital goods	6	-	6	51	-	51
(b) Unclaimed dividend	8	-	8	8	-	8
(c) Accrued employee liabilities	378	18	396	312	21	333
(iii) Lease liabilities	227	878	1,105	165	844	1,009
Measured at fair value through other comprehensive income						
(a) Foreign currency forward contracts designated in hedge accounting relationships (Basis of Valuation : Level - 2 described in note 2.N)	175	-	175	13	-	13

^Trade Payables are classified as current being payable on demand other than those classified as non-current.

Financial risk management objectives

Company is exposed to foreign exchange risk on account of import risk and hedging activities; and export transactions which is monitored periodically. The Company leverages the global treasury operations of Honeywell to improve mitigation of risk relating to foreign exchange.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Unhedged by derivative instruments/ or otherwise

(₹ in millions)

Particulars	March 31, 2026	March 31, 2025
a) Liability - Trade Creditors		
In GBP	0	0
(Equivalent approximate in ₹)	48	50
In USD	33	23
(Equivalent approximate in ₹)	3,121	1,941
In EURO	4	3
(Equivalent approximate in ₹)	404	305
In CAD *	0	-
(Equivalent approximate in ₹)	0	-
In AUD *	0	0
(Equivalent approximate in ₹)	3	0
In QAR *	0	0
(Equivalent approximate in ₹)	0	0
In KWD *	-	0
(Equivalent approximate in ₹)	-	5
In CNY	18	24
(Equivalent approximate in ₹)	245	277
In CHF *	0	0
(Equivalent approximate in ₹)	6	1
In AED *	0	0
(Equivalent approximate in ₹)	0	0
In RON *	0	0
(Equivalent approximate in ₹)	0	0
In ZAR *	0	0
(Equivalent approximate in ₹)	0	0
b) Asset - Trade Receivables		
In GBP *	0	0
(Equivalent approximate in ₹)	28	16
In EURO *	0	0
(Equivalent approximate in ₹)	2	21
In CNY *	0	0
(Equivalent approximate in ₹)	1	1

(₹ in millions)

Particulars	March 31, 2026	March 31, 2025
c) Asset - Bank Balances		
In USD	25	28
(Equivalent approximate in ₹)	2,367	2,398
In KRW	-	65
(Equivalent approximate in ₹)	-	4
In ZAR *	0	0
(Equivalent approximate in ₹)	1	0

* Amount below the rounding off norm adopted by the company

Foreign currency exchange rate risk:

The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. Considering the countries and economic environment in which the Company operates, its operation are subject to risks arising from fluctuations in exchange rates in those countries. The risk primarily relate to U.S. Dollars against the functional currency of Honeywell Automation India Limited.

The Company, as per its Hedging policy, uses forward contracts to hedge foreign exchange exposure. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using forward contracts in accordance with its risk management policies.

The Company uses forward exchange contracts to hedge its exposure in foreign currency. The information on derivative instruments is as follows :

Particulars	As At	Currency	Bought/ Sold	Amount in foreign Currency (millions)	Amount in ₹millions
Foreign Exchange Forward contracts (*)	March 31,2026	USD/INR	Sold	47	4,382
	March 31,2025	USD/INR	Sold	42	3,626

* Converted at ₹94.04 / USD (March 31, 2025 - ₹85.71/ USD)

The Table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as of the balance sheet

Particulars	(Amount in USD millions)		(Amount in INR millions)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Not later than one month	7	3	630	240
Later than one month but not later than three months	5	5	451	430
Later than three month but not later than one year	35	34	3,301	2,956
Later than one year but not later than two years	-	-	-	-

Foreign currency sensitivity analysis

The Company is exposed mainly to the fluctuation in the value of USD and EURO. The following table details the company sensitivity to a 5% increase and decrease in functional currency against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust there translation at the period end for a 5% change in foreign currency rate.

(₹ in millions)

Particulars	March 31, 2026	March 31, 2025
USD Impact		
5% Appreciation in USD		
Impact on profit or loss for the year {Gain/(Loss)}	(38)	23
Impact on total equity as at the end of the year	(38)	23
5% Depreciation in USD		
Impact on profit or loss for the year {Gain/(Loss)}	38	(23)
Impact on total equity as at the end of the year	38	(23)
EURO Impact		
5% Appreciation in EURO		
Impact on profit or loss for the year {Gain/(Loss)}	(20)	(14)
Impact on total equity as at the end of the year	(20)	(14)
5% Depreciation in EURO		
Impact on profit or loss for the year {Gain/(Loss)}	20	14
Impact on total equity as at the end of the year	20	14

Credit risk management

Credit risk refers to the risks that a counterparty may default on its contractual obligations resulting in financial loss to the Company. The Company deals only with credit worthy counterparties and takes appropriate measures to mitigate the risk of financial loss from defaults. Trade receivable consists of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The credit risk in respect of bank balances held with banks and deposits with banks are managed via diversification of bank deposits, and are only with major reputable financial institutions.

Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facility and by continuously monitoring forecasts and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

The Company has no outstanding borrowings. The Company believes that the working capital is sufficient to meet its current requirements.

Note 37 -A- Disclosure pursuant to Ind AS 1 "Presentation of financial statements"

(a) Current assets expected to be recovered within twelve months and after twelve months from the reporting date:

(₹ in millions)

Particulars	Note reference	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Inventories	13	2,168	-	**2,168**	2,372	-	**2,372**
Trade receivables	6	10,888	721	**11,609**	10,457	815	**11,273**
Other financial assets	9	543	-	**543**	273	-	**273**
Other Current assets	12	5,260	322	**5,582**	5,033	154	**5,187**

(b) Current liabilities expected to be settled within twelve months and after twelve months from the reporting date:

(₹ in millions)

Particulars	Note reference	As at March 31, 2026			As at March 31, 2025		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Trade Payables - dues of micro enterprises and small enterprises	18	942	-	**942**	790	-	**790**
Trade payables - dues of creditors other than micro enterprises and small enterprises	18	9,313	-	**9,313**	8,739	-	**8,739**
Lease liabilities	17	227	-	**227**	165	-	**165**
Other financial liabilities	19	567	-	**567**	384	-	**384**
Other current liabilities	20	2,947	134	**3,081**	1,939	149	**2,088**
Provisions	16	1,597	172	**1,769**	1,435	73	**1,508**

Note 37 -B- Additional Disclosures pursuant to schedule III to Companies Act, 2013

i) Trade receivable ageing

(₹ in millions)

Particulars		Outstanding for following periods from due date of payment					Not due	Unbilled	Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
i) Undisputed trade receivables – considered good	2026	4,099	73	160	77	155	5,971	1,295	11,830
	2025	3,711	624	311	6	247	5,154	1,373	11,426
ii) Undisputed trade receivables – which have significant increase in credit risk	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
iii) Undisputed trade receivables – credit impaired	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
iv) Disputed trade receivables– considered good	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
v) Disputed trade receivables – which have significant increase in credit risk	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
vi) Disputed trade receivables – credit impaired	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-

ii) Trade payable ageing

(₹ in millions)

Particulars		Outstanding for following periods from due date of payment					Not due	Unbilled	Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
MSME - disputed dues	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
MSME - undisputed dues	2026	14	3	4	3	13	905	-	942
	2025	31	4	3	5	8	739	-	790
Others - disputed dues	2026	-	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-	-
Others - undisputed dues	2026	2,743	232	191	14	294	4,943	896	9,313
	2025	3,517	320	64	32	377	3,463	966	8,739

iii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 38

As set out in section 135 of the Companies Act, 2013 the Company is required to contribute/ spend ₹ 130 million (previous year ended March 31, 2025: ₹ 113 million) towards Corporate Social Responsibility activities, as calculated basis 2% of its average net profits of the last three financial years calculated in accordance with section 135 of the Companies Act, 2013.

(₹ in millions)

Particulars	March 31, 2026	March 31, 2025
(i) Gross Amount required to be spent by the company during the year	130	113
(ii) Amount spent during the year,		
a. construction/ acquisition of any asset	-	-
b. on purposes, other than (a) above	130	113
(iii) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year,	-	-
(iv) Total of previous years shortfall amount,	-	-

Company has contributed to Honeywell Hometown Solution India Foundation (HHSIF), trust controlled by Honeywell group for CSR activities. The trust has spent funds on activities such as "Education, skill and research" and "sustainable and holistic community development program" etc. Refer note 29 for related party disclosure.

Note 39

The financial statements were approved for issue by the board of directors on May 20, 2026 (previous year ended March 31, 2025 on May 13, 2025). The Board of Directors have recommended dividend of ₹ 110 per equity share for the financial year ended March 31, 2026 (previous year ended March 31, 2025: ₹ 105 per equity share) for approval of shareholders. The face value of the equity share is ₹ 10 each. This payment is subject to the approval of shareholders in the Annual General Meeting of the Company. This final dividend if approved by shareholders would result in a net cash outflow of approximately ₹ 973 million (previous year ended March 31, 2025: ₹ 928 million approved by shareholder in Annual General Meeting held on June 27, 2025).

Note 40 - Ratio analysis

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for Variance required only if variance more than 25%
Current Ratio	Current assets	Current liabilities	3.52	3.57	(1%)	Not applicable
Debt-Equity Ratio*	Total Debt	Shareholder's equity	Refer Note below *			
Debt Service Coverage Ratio*	Earnings available for debt service	Debt service	Refer Note below *			
Return on Equity Ratio	Profit after tax	Average shareholder's equity	12%	14%	(10%)	Not Applicable
Inventory turnover ratio	Cost of goods sold	Average inventory	12.68	12.85	(1%)	Not Applicable
Trade receivables turnover ratio	Net Sales	Average accounts receivable	4.02	4.03	(0%)	Not Applicable
Trade payables turnover ratio	Net Purchases	Average trade payables	2.89	3.06	(6%)	Not Applicable
Net capital turnover ratio	Net Sales	Average working capital	1.19	1.18	0%	Not Applicable
Net profit ratio	Net Profit	Net sales	11%	13%	(10%)	Not Applicable
Return on Capital employed	Earnings before interest and tax	Capital employed	16%	18%	(9%)	Not Applicable
Return on investment *	Return on investment	Average investments	Refer Note below			

* The Company does not have borrowings and investment hence not applicable.

Note 41

The Company maintains the books of account electronically and its back-up on daily-basis on a server located outside of India. These data are accessible in India at all times. The Company notifies the Registrar of Companies (ROC) about the person in control of the data in its annual filing.

Note 42

No direct database changes in accounting software are allowed and all data changes are governed at application layer to avoid system performance problems and to follow the principle of data minimization. There are alternate governing processes in place to mitigate any risk of unauthorized access to database.

The Company uses a third-party hosted application (Software-as-a-Service) for maintenance and processing of payroll records. The application is operated and administered by the external service provider and the Company does not have access to, or rights to, make direct changes at the database level of the said application.

Note 43 Capital work-in-progress

(₹ in millions)

Particulars		Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2026	18	4	7	0	29
	2025	10	22	-	-	32
Projects temporarily suspended	2026	-	-	-	-	-
	2025	-	-	-	-	-

The Company does not have any overdue capital work-in-progress.

Note 44 Company does not have any transaction with Struck off companies except

(₹ in millions)

Name of the company	Relationship of Struck off company	Transaction during the year	Balance outstanding as at year end
2025-26			
Extreme Buildspace Autotech Pvt Ltd	Vendor	Nil	- *
2024-25			
Flexitech Services P Ltd	Customer	Nil	- *
Extreme Buildspace Autotech Pvt Ltd	Vendor	Nil	- *

*Amount below the rounding off norm adopted by the company

Note 45 Additional regulatory disclosures as per Schedule III of Companies Act, 2013

(i) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(ii) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(iii) There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

(v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(vi) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Further, the Group as defined in Core Investment Companies (Reserve Bank) directions 2016, does not have any CIC.

(vii) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note 46

During the year ended March 31, 2026. the Company has re-classified the following comparatives, which are primarily to conform to the current year's classification. This reclassification do not have material impact on the Financial Statements and has been done for the better presentation and to enhance the understanding of the users of the Financial Statements.

Particulars	Revised amount as at March 31, 2026	Regroupings/ re-classifications	Previously reported amount as at March 31, 2025
Non-current assets			
Financial assets			
(i) Trade receivables	154	4	150
(ii) Other financial assets	113	(4)	117
Current assets			
Financial assets			
(i) Trade receivables	11,273	563	10,710
(ii) Other financial assets	273	(4,952)	5,225
Other current assets	5,187	4,389	798
Current Liabilities			
Financial liabilities			
Trade payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	790	-	790
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	8,739	966	7,773
Other financial liabilities	384	(966)	1,350

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration Number - 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : May 20, 2026

For and on behalf of the Board of
Honeywell Automation India Limited

Ganesh Natarajan
Chairman
DIN: 00176393

Atul Vinayak Pai
Managing Director
DIN: 02704506

Pulkit Goyal
Chief Financial Officer
M No: 124311

Indu Daryani
Company Secretary
FCS No: 9059

Place : Pune
Date : May 20, 2026

GLOSSARY

Abbreviations/Terms Used	For
Act	The Companies Act, 2013
AGM/the Meeting	42nd Annual General Meeting of Honeywell Automation India Limited
BCIR	Business Conduct Incident Report
Board	The Board of Directors of Honeywell Automation India Limited
BRSR	Business Responsibility and Sustainability Report
BSE	The BSE Limited
CDSL	Central Depository Services Limited
CPCB	Central Pollution Control Board
CRA	Cell Risk Assessment
CSR	Corporate Social Responsibility
DNV	Det Norske Veritas
DP	Depository Participant
ECS	Electronic Clearing Service
EEE	Electrical and Electronic Waste
EIA	Environmental Impact Assessment
EPR	Extended Producer Responsibility
ESG	Environmental, Social and Governance
ESI	Employees' State Insurance
FRR	Feeder Role Reviews
GDP	Gross Domestic Product
GHG	Greenhouse gas
GST	Goods and Services Tax
HHSIF	Honeywell Hometown Solutions India Foundation
Honeywell	Honeywell Group/Enterprise
Honeywell International	Honeywell International Inc.
HPD	Honeywell Performance Development
HSE	Health, Safety and Environment
HSEMS	Health, Safety and Environment Management System
ICC	Internal Complaints Committee
IDP	Individual Development Plan
IEA	International Energy Agency
IIP	Index of Industrial Production
ILC	India Leadership Connect
Ind-AS	Indian Accounting Standard

Abbreviations/Terms Used	For
KMP	Key Managerial Personnel
LCA	Life Cycle Persepective/Assessments
LDP	Leadership Development Program
MCA	The Ministry of Corporate Affairs
MMM	Mid Mass Market
MRR	Management Resource Review
NECS	National Electronic Clearing Service
NGRBC	National Guidelines on Responsible Business Conduct
NRC	Nomination and Remuneration Committee
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
O&G	Oil and gas
PAN	Permanent Account Number
PF	Provident Fund
PLI	Production Linked Incentives
PPAC	Petroleum Planning & Analysis Cell
PPE	Personal Protective Equipment
PROs	Producer Responsibility Organizations
RMC	Risk Management Committee
RTA	Registrar and Transfer Agent - MUFG Intime India Private Limited (Formerly, Link Intime India Private Limited)
SBG	Strategic Business Group
SEBI	The Securities and Exchange Board of India
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SLDP	Senior Leadership Development Program
SOS	Safety Observations System
SRC	Stakeholders' Relationship Committee
SS-2	Secretarial Standard 2 issued by the Institute of Company Secretaries of India
STP	Sewage Treatment Plants
TDS	Tax Deducted at Source
The Company/HAIL	Honeywell Automation India Limited
ZLD	Zero liquid Discharge

For more information
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THE
FUTURE
IS
WHAT
WE
MAKE IT

Honeywell