

**NOTICE**

NOTICE is hereby given that the Twenty-Ninth Annual General Meeting of Members of Fairfield Atlas Limited (the "Company") will be held on Friday, 20<sup>th</sup> December 2019 at 4.00.p.m. at the Registered Office of the Company at Survey No 157, Devarwadi, Chandgad Taluka, Dist Kolhapur, Maharashtra 416507 to transact the following business :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019, and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sunil Sehgal (holding DIN 05121461) who retires by rotation and being eligible, offers himself for re-election.
3. To appoint a Director in place of Mr. Marcus David King (holding DIN 06947986 ) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28<sup>th</sup> February, 2019 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act 2013 but who is eligible for appointment and in respect of whom a notice in writing has been received by the Company under Section 160(1) from a member signifying his intention to propose Mr. Marcus David King as a candidate for the office of a Director of the Company liable to retire by rotation.
4. To appoint a Director in place of Mr. Michael Andrew Campbell (holding DIN 03075376) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 28<sup>th</sup> February, 2019 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act 2013 but who is eligible for appointment and in respect of whom a notice in writing has been received by the Company under Section 160(1) from a member signifying his intention to propose Mr. Michael Andrew Campbell. as a candidate for the office of a Director of the Company liable to retire by rotation.
5. To appoint a Director in place of Mr. Gajanan Vithal Gandhe (holding DIN 02023395) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> October, 2019 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act 2013 but who is eligible for appointment and in respect of whom a notice in writing has been received by the Company under Section 160(1) from a member signifying his intention to propose Mr. Gajanan Vithal Gandhe as a candidate for the office of a Director of the Company liable to retire by rotation.
6. To consider and if thought fit to pass with or without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT Mr. Avinash P. Gandhi (holding DIN 00161107) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 25<sup>th</sup> June, 2019 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act 2013 but who is eligible for appointment and in respect of whom a notice in writing has been received by the Company under Section 160(1) of the Act from a member signifying his intention to propose Mr. Avinash P.Gandhi as a candidate for the office of a Director be and is hereby appointed as a Director of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014(including any statutory modifications or re-enactment (s) thereof for the time being in force) Mr. Avinash P. Gandhi (holding DIN 00161107 ) who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act 2013, and who is eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of two consecutive years with effect from 25<sup>th</sup> June. 2019."

7. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Rakesh Jinsi (holding DIN 00182187) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 22<sup>nd</sup> October, 2019 and who holds office upto the date of this Annual General Meeting under Section 161(1) of the Companies Act 2013 but who is eligible for appointment and in respect of whom a notice in writing has been received by the Company under Section 160(1) of the Act from a member signifying his intention to propose Mr. Rakesh Jinsi as a candidate for the office of a Director be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014(including any statutory modifications or re-enactment (s) thereof for the time being in force) Mr. Rakesh Jinsi (holding DIN00182187) who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act 2013, and who is eligible for appointment as an Independent Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of two consecutive years with effect from 22<sup>nd</sup> October, 2019.”

8. To ratify the remuneration of Cost Auditors for financial year 2019-2020 and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and pursuant to the recommendation of the Audit Committee in this regard, the remuneration payable to M/s M.P.Turakhia & Associates, Cost Accountants (Registration No.000417), who were appointed as Cost Auditors by the Board of Directors of the Company for the conduct of the cost audit of the Company’s “other machinery” for the financial year ending 31<sup>st</sup> March ,2020 amounting to ₹2,00,000 (Rupees Two Lakhs) plus goods and service tax as applicable and reimbursement of actual travel and out-of-pocket expenses be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do or to authorize any person to do all such acts, deeds, matters, and things as may be considered necessary, relevant, usual, customary, proper or expedient to give effect to aforesaid resolution”

9. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

“RESOLVED THAT subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions if any, of the Companies Act, 2013 and the Rules made thereunder read with Schedule V and subject to such other approvals as may be necessary, consent and approval of the Company be and is hereby accorded to the revision in the remuneration payable to Mr. Devanand E. Jacob,( holding DIN 02387819) as Managing Director of the Company with effect from 1st April, 2019 till end of his term upon terms and conditions set out in the Supplemental Agreement dated 12<sup>th</sup> July, 2018, 2<sup>nd</sup> Supplemental Agreement dated 14<sup>th</sup> July, 2018, and 3<sup>rd</sup> Supplemental Agreement dated 30<sup>th</sup> October 2019 entered into between Mr. D.E. Jacob and the Company”.

“FURTHER RESOLVED THAT, subject to the limits prescribed under Schedule V of the Companies Act 2013 for payment of remuneration, perquisites and benefits, the Board of Directors (hereinafter referred as ‘Board’ which term shall include a Committee constituted by the Board or any person(s) authorized by the Board) be and is hereby authorised to approve any changes or amendments to the aforesaid Supplemental Agreements and to review the remuneration, perquisites and benefits payable to Mr. Devanand E. Jacob from time to time.”

"FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of Mr. D.E. Jacob, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. D.E. Jacob shall be as per the limit prescribed in Schedule V of the Act"

"FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of Mr. D.E. Jacob, the Company has no profits or its profits are inadequate, the Company may pay to Mr. D.E. Jacob the above stated remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any".

"FURTHER RESOLVED THAT for the purpose of giving effect to the aforesaid Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard to decide break up of the remuneration within the maximum permissible limit and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient in order to give effect to the aforesaid Resolution."

10. To consider and if thought fit to pass with or without modifications the following resolution as a Special Resolution:

"RESOLVED THAT subject to the provisions of Sections 196,197, 203 and other applicable provisions if any, of the Companies Act, 2013 and the rules made thereunder and limits laid down therein read with Schedule V thereof and subject to such other approvals as may be necessary, consent and approval of the Company be and is hereby accorded to the appointment of Mr. Devanand E. Jacob ( holding DIN 02387819) as Managing Director of the Company for a further period commencing from 1st November 2019 and ending on 31st October, 2022 upon existing terms of remuneration and conditions set out in the Employment Agreement dated 31st October, 2019 entered into between Mr. Devanand E. Jacob and the Company and detailed in the Explanatory Statement annexed to this Notice."

"FURTHER RESOLVED THAT, subject to the limits, prescribed under Schedule V of the Companies Act 2013 for payment of remuneration, perquisites and benefits, the Board of Directors (hereinafter referred as 'Board' which term shall include a Committee constituted by the Board or any person(s) authorized by the Board) be and is hereby authorised to approve any changes or amendments to the aforesaid Agreement and to review the remuneration, perquisites and benefits payable to Mr. Devanand E. Jacob from time to time."

"FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of Mr. D.E. Jacob, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. D.E. Jacob shall be as per the limit prescribed in Schedule V of the Act"

"FURTHER RESOLVED THAT where in any financial year during the currency of the tenure of Mr. D.E. Jacob, the Company has no profits or its profits are inadequate, the Company may pay to Mr. D.E. Jacob the above stated remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any".

"FURTHER RESOLVED THAT for the purpose of giving effect to the aforesaid Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard to decide break up of the remuneration within the maximum permissible limit and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient in order to give effect to the aforesaid Resolution."

**NOTES:**

- a) The relative Explanatory Statement as required by Section 102 of the Companies Act, 2013 in regard to item nos. 3 to 10 is annexed hereto.
- b) **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and a proxy need not be a member of the Company. The instrument appointing the proxy should however be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

- c) The Register of Members and Share Transfer Books of the Company will be closed from Friday 13th December, 2019 to Friday 20th December, 2019 (both days inclusive).
- d) Members holding shares in electronic form are requested to intimate any change in their address to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address to the Company/Registrars and Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd., and quote folio numbers in all their correspondence.
- e) Members who have not registered their email addresses so far are requested to register their email addresses with the Depository Participant (in case of shares held in dematerialised form) or with The Registrar and Transfer Agents (for shares held in physical form) for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.
- f) Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
- g) Mr. Mahesh Soni, ( Membership No. FCS 3706, COP 2324) Partner GMJ Associates Practising Company Secretaries has been appointed as the scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- h) As per section 124 and 125 of the Companies Act 2013 and The Investor Education and Protection Fund Authority (Accounts, Audit ,Transfer and Refund) Rules 2016 (the Rules) and pursuant to the Order received from The Investor Education and Protection Fund Authority the Company transferred on 13<sup>th</sup> March, 2019 37,300 equity shares pertaining to 218 shareholders whose dividends for the financial year 1998-1999 were unclaimed by following the procedure mentioned in the aforesaid Rules. The particulars of such shareholders has been uploaded on the Company's website.

To claim the equity shares and dividend shareholders would be required to follow the procedure mentioned in the Rules.

- i) Procedure for remote e-voting
1. In compliance with the provisions of section 108 of the Companies Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 the Company is pleased to offer e-voting facility to its members in respect of the businesses to be transacted at the 29<sup>th</sup> Annual General Meeting (AGM) The Company has engaged the services of Central Depository Services Limited (CDSL) as the Authorised Agency to provide e-voting facility.
  2. Members are requested to note that the Company is providing facility for remote e-voting and the business can be transacted through electronic voting system. It is hereby clarified that it is not mandatory

for a Member to vote using the remote e-voting facility. A Member may avail of the facility at his/her/ its discretion as per the instructions provided herein.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 17 th December, 2019 at 9.00 A.M. and ends on Thursday, 19 th December, 2019 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 13 th December, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member he/she shall not be allowed to change it subsequently or cast the vote again. Members who have cast their vote through remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. A member present at the AGM who has not availed the facility of remote e-voting can vote through Ballot/Poll Paper at the AGM.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot /Attendance Slip indicated in the PAN field.</li> </ul>
<b>Dividend Bank Details OR</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
<b>Date of Birth (DOB)</b>	<ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Fairfield Atlas Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**(xix) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xxi) The voting rights of members shall be in proportion to their share in the paid-up equity share capital of the Company as on Friday 13th December, 2019 being the cut off date. Members are eligible to cast their vote only if they are holding share as on that date.

- (xxii) Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares on the cut off date, may cast their vote by remote e-voting or through Poll at the meeting. However if you are already registered with CDSL for remote e-voting then you can use existing user ID and password for casting your vote. If you forget your password you can reset your password by using Forgot Password option available on [www.evotingindia.com](http://www.evotingindia.com).
- i) The results shall be declared not later than forty-eight hours from conclusion of the meeting. The results declared along with scrutiniser's report will be placed on the website of the Company at [www.dana.com/grazianofairfield/](http://www.dana.com/grazianofairfield/) and website of CDSL : <https://www.evoting.cdsl.com> immediately after the result is declared by the Chairman.

By Order of the Board of Directors

**Marcel Rebello**  
Company Secretary

Place: Greater Noida  
Date: November 11, 2019  
CIN No. U34300MH1990PLC055300

**Registered Office :**

Survey No 157,  
Devarwadi Village,  
Post Shinoli, Chandgad Taluka,  
Dist. Kolhapur,  
Maharashtra 416507  
Website: <http://www.dana.com/grazianofairfield/>

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013 ('Act')**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item Nos. 3 and 4**

Pursuant to the provisions of Section 161 of the Companies Act 2013 and Articles of Association of the Company the Board of Directors at their meeting held on 27<sup>th</sup> February, 2019 appointed Mr. Marcus D. King (DIN 06947986) and Mr. Michael A. Campbell (DIN 03075376 ) Additional Directors with effect from 28<sup>th</sup> February, 2019.

Mr. Marcus D. King is 48 years old and is Senior Director Off Highway Operations and Sales for Asia Pacific. He holds a first class degree in Manufacturing Systems Engineering (BEng) from Coventry University and Advanced Management from IESE, Barcelona.

Mr. King has 24 years of experience with Dana Corporation, having held leadership positions in plant management, materials planning, purchasing, supplier development, IT and program management in Global, European, North American and Asian based roles. These roles have covered drive-line products in LV, OH and CV markets.

He is based in Shanghai. He serves as Director on the Boards of several Companies of the Dana Group in India like Dana India Private Limited, Graziano Trasmissioni India Private Limited and Brevini India Private Limited as well those based in China, Korea. Thailand, Australia and New Zealand.

Mr. Michael A Campbell is 58 years old and is Vice President, Human Resources, Asia Pacific for Dana Incorporated. He holds a Master of Business Administration from Monash University, Melbourne, Australia. Mr. Campbell has 30 years automotive industry experience working for OEM and Tier 1 companies, including the past 10 years with the Dana Corporation. He has lived and worked in Australia, the USA and China. He has extensive Human Resources and Leadership experience in Asia, North America and Europe.

He is based in Shanghai. He serves as a Director on the Boards of a number of Dana companies in India like Spicer India Private Limited, Graziano Trasmissioni India Private Limited as well those based in, China, Australia, Japan and Taiwan

Mr. King, and Mr. Campbell are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their respective consents to act as Directors of the Company.

The Company has received notices from members pursuant to Section 160 of the Companies Act 2013 proposing the candidature of Mr. King, and Mr. Campbell for the office of Directors of the Company liable to retire by rotation.

In view of their vast experience and knowledge and holding senior positions in the Dana Group the Board considers that their appointment will bring immense benefit and diversity to the composition of the Board and it would be in the interest of the company to have the benefit of their experience and advice and accordingly commends their appointment to the Members. Neither Mr. King nor Mr. Campbell hold by themselves or for any other person on a beneficial basis any shares in the Company.

Except Mr. King and Mr. Campbell none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in the resolutions set out at item Nos 3 and 4 of the Notice except to the extent of their shareholding interest, if any, in the Company.

**Item No. 5**

Pursuant to the provisions of Section 161 of the Companies Act 2013 and Articles of Association of the Company the Board of Directors appointed Mr. Gajanan Vithal Gandhe (DIN 02023395) as Additional Director with effect from 12<sup>th</sup> October, 2019 in order to support the increasing needs of the business in India and to facilitate his functions and responsibilities in the Company.

Mr. Gajanan Gandhe is 55 years of age and has joined Dana, effective May 2, 2019, as Vice president, Dana

India and is designated Country leader Dana India. Mr. Gandhe will work across the organization, including the business units, functional teams, and joint-venture partners, to accelerate strategic and profitable growth, including the implementation of the e-mobility strategy. He brings to Dana nearly 27 years of senior-leadership experience in the automotive industry in the United States, India, and China. He most recently served as Executive Director, India and Vice president, South Asian/African operations for International Automotive Components (IAC). Prior to that, he was instrumental in establishing IAC Asia, where he helped to grow the business with important customers. Mr. Gandhe is on the Board of Dana India Technical Centre Private Limited, Axles India Limited and Spicer India Private Limited.

Mr. Gandhe is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company.

The Company has received notice from a member pursuant to Section 160 of the Companies Act 2013 proposing the candidature of Mr. Gandhe for the office of Director of the Company liable to retire by rotation.

In view of his vast experience and knowledge and holding senior positions in the Dana Group the Board considers that his appointment will bring diversity to the composition of the Board and it would be in the interest of the company to have the benefit of his experience and advice and accordingly commends his appointment to the Members. Mr. Gandhe does not hold by himself or for any other person on a beneficial basis any shares in the Company.

Except Mr. Gandhe none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in the resolution set out at item No. 5 of the Notice except to the extent of their shareholding interest, if any, in the Company.

#### **Item Nos. 6 and 7**

Mr. Avinash P. Gandhi (DIN00161107) and Mr. Rakesh Jinsi (DIN00182187) were appointed Additional Directors by the Board with effect from 25<sup>th</sup> June, 2019 and 22<sup>nd</sup> October, 2019 respectively, pursuant to Sections 149(1), 161 of the Companies Act 2013 and Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act 2013 they will hold office up to the date of the ensuing Annual General Meeting. The Company has received notices from members pursuant to Section 160 of the Companies Act 2013 proposing the candidature of Mr. Avinash Gandhi and Mr. Rakesh Jinsi for the office of Directors of the Company.

Mr Gandhi is 80 years old and holds a degree in Mechanical Engineering. Mr. Gandhi is a Former Independent Director in the Company. He has held top leadership positions in prestigious organisations during his career in the industrial sector. Mr. Gandhi has vast and extensive knowledge in the field of automobile manufacturing, sales and finance. He is currently Chairman of Schaeffler India (formerly FAG Bearings) as well as Director in Lumax Industries, Mindia Corporation and Lumax Auto Technology. Earlier he was President of Hyundai Motor India and is presently Independent Director in Hyundai Motor India Uni Products , Indo Alusys etc. He is also actively involved in several professional organisations like Member of Executive Committee Society of Indian Automobile Manufacturers, Fellow Member Institute of Plant Engineers to name a few. He has over 50 years of varied experience in various functions and capacities in his professional career.

Mr. Rakesh Jinsi (DIN 00182187) is 64 years old and holds a Graduate degree in Electrical Engineering from Punjab Engineering College, Chandigarh. He has over 41 years of diverse work experience covering the Corporate (mainly Auto Industry) ,Not for Profit and Education Sectors and held leadership positions at the Organization/Company/ Business level with multi-locational operations thereby gaining substantial experience in Business Operations, Human Resource, and Industrial Relation management with hands on experience of all major functions viz. Materials, Manufacturing & Plant Operations etc.

Currently he is on the Board of Schaeffler India Ltd., Minda Automotive Solutions and Railway Children India as Independent Director besides being an empaneled Coach/Mentor for senior level executives.

His past experience includes Managing Director of Tata Vectra Motors Limited, President Hero Motors and Chief Operating Officer Force Motors Limited and Independent Director of Hero Motors Limited and Hero Cycles Limited

Neither Mr. Gandhi nor Mr. Jinsi hold by themselves or for any other person on a beneficial basis any shares in the Company. The Company has received declarations from Mr. Gandhi and Mr. Jinsi that they meet with the criteria of independence prescribed in section 149(6) of the Act. The Board is of the opinion that both Mr. Gandhi and Mr. Jinsi fulfill the criteria specified in the Act. and the rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management of the Company. They possess appropriate skills, experience and knowledge.

Copy of the draft letters of appointment of Mr. Gandhi and Mr. Jinsi as Independent Directors would be available for inspection by members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that in view of their vast knowledge and experience in diverse areas, their association would be of immense benefit to the Company as Independent Directors and their experience will be of value to the Company. Accordingly the Board recommends the Resolutions set out at item No.6 and 7 of the Notice in relation to the appointment of Mr. Gandhi and Mr. Jinsi as Independent Directors for approval of the members of the Company.

Except Mr. Gandhi and Mr. Jinsi none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise in the resolution set out at item nos.6 and 7 of the Notice except to the extent of their shareholding interest, if any, in the Company.

#### **Item No.8**

In terms of the provisions of Section 148 of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board on the recommendation of the Audit Committee at its meeting held on 11th November, 2019 has considered and approved the appointment and remuneration of M/s M.P.Turakhia & Associates, Cost Accountants (Registration No. 000417), for the conduct of the audit of cost accounts maintained by the Company for its "other machinery" for the financial year ending 31 st March,2020. As approved by the Board the Annual remuneration payable to M/s M. P. Turakhia & Associates for the financial year ending 31<sup>st</sup> March, 2020 is ₹2,00,000 (Rupees Two Lakhs) plus goods and service tax as applicable and reimbursement of actual travel and out-of-pocket expenses.

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested in the resolution set out at Item No.8 of the Notice except to the extent of their shareholding interest, if any, in the Company.

#### **Item Nos. 9 and 10**

In order to align the remuneration package of Mr. D.E. Jacob, Managing Director of the Company in line with other Senior Executives of the Dana group the Board of Directors at its meeting held on 22nd October, 2019 approved on the recommendation of the Nomination and Remuneration Committee revision/increase in the remuneration to be paid to Mr. D.E. Jacob as Managing Director of the Company on a monthly basis for the period commencing from 1<sup>st</sup> April 2019 till the end of his term as set out in the Third Supplemental Agreement dated 30th October 2019 the salient features of which are mentioned below:

**A.** (Amount in Rupees)

		<b>Current</b>	<b>Revised w.e.f. 1.4.2019</b>
1.	Basic Salary	350,937	375,503
2.	Bonus/Incentive: In accordance with Dana Group Bonus Policy applicable to Senior Managerial personnel of the Company from time to time.		
3.	Perquisites and benefits as appearing hereinafter:		
	HRA to be paid	140,375	150,201
	Special Allowance	62,725	72,653
	LTA	5,000	5,000
	Medical	1,250	-
	PF Employer Contribution	42,112	45,060
	HRA 2	55,000	55,000
	Total	657,399	703,417
	Annual CTC	7,888,788	8,441,004
	STI Target	1,425,171	1,524,933

Mr. Jacob will be entitled to services of driver either at Belgaum or Sanand.

Apart from above revision/addition in remuneration the other terms and conditions including perquisites and other benefits as approved by the Nomination and Remuneration Committee, the Board of Directors and contained in the Principal Agreement dated 3rd December, 2016 and Supplemental Agreement dated 12<sup>th</sup> July, 2018 and Second Supplemental Agreement dated 14<sup>th</sup> July, 2018 entered into between Mr. D.E. Jacob and the Company remain unchanged”.

- B.** Subject to the approval of the members at the General Meeting and other necessary approvals, if any, the Board of Directors at their meeting held on 22<sup>nd</sup> October, 2019 on the recommendation of the Nomination and Remuneration Committee appointed Mr. D.E. Jacob as Managing Director of the Company for a further period commencing from 1st November, 2019 and ending 31st October, 2022 upon existing terms and conditions as mentioned above and as set out in the Employment Agreement dated 31st October, 2019

The following additional information as required by Schedule V to the Act is given below.

**I. General Information :**

- i. Nature of industry

The Company’s core business operations fall in the broad categories of agriculture, construction, automotive, energy, mining and more specifically the on-off highway power transmission sector.

- ii. Date or expected date of commencement of commercial production.

The Company was incorporated on 1<sup>st</sup> February 1990 as a private company and commenced commercial production in the year 1993.

- iii. In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus.

Not Applicable

- iv. Financial performance based on given indicators – as per Audited Financial results for the year ended 31<sup>st</sup> March 2019.

<b>Particulars</b>	<b>Rs. in lakhs</b>
Total Revenue	<b>62163.23</b>
Profit before Depreciation, Interest and Tax	<b>11330.09</b>
Interest and other Finance Charges	<b>7.93</b>
Depreciation and Amortization	<b>2813.17</b>
Profit before taxation	<b>8508.99</b>
Income tax Expenses	
Current Tax	<b>3190.64</b>
Deferred Tax (credit)/charge	<b>(164.62)</b>
Profit after taxation	<b>5482.97</b>

- v. Foreign investments of collaborators, if any.

TH Licensing Inc., USA, a wholly owned subsidiary of Fairfield Manufacturing Co. Inc. USA, presently holds 2,68,75,095 equity shares of ₹10/- each constituting 98.37% of the paid up share capital of the Company.

## **II. Information about the appointee.**

- i. Background details

Mr. Jacob is an Engineer by profession and has been the Managing Director of the Company since 24<sup>th</sup> October , 2008 being stationed at the Company's Plant for more than 24 years. Prior to his appointment as Managing Director Mr. Jacob held senior positions in the Company both in the operations, commercial and administrative fields thus acquiring cross functional experience across several departments. In his present capacity as the Managing Director of the Company he oversees the entire plant operations of the Company. Mr. Jacob has received training at the Plant of the Company's Principals, Fairfield Manufacturing Co., Inc., USA and the Company's other foreign associates. After acquisition by DANA Inc. Mr. Jacob was given additional charge as Chief Operating Officer of Dana Plants in India thereby widening the scope of his control and experience.

- ii. Past remuneration during financial year ended 31<sup>st</sup> March 2019.

The total remuneration drawn by Mr. D. E. Jacob as Managing Director for the year ended 31<sup>st</sup> March , 2019 was ₹95.70 lakhs including perquisites.

- iii. Recognition or Awards

Not applicable

- iv. Job Profile and their suitability.

Mr. D. E. Jacob is the Managing Director of the Company since 24<sup>th</sup> October 2008. The Board has delegated substantial powers of management of the Company to Mr. D. E. Jacob, in his capacity as Managing Director of the Company. Mr. Jacob is an Engineer by profession and has been stationed at the Company's plant for the past 24 years and hence has acquired in depth knowledge and cross functional experience across various departments in technical, commercial and administrative fields. He has received training at the Plant of the Company's Principals, Fairfield Manufacturing Co., Inc., USA and the company's other foreign associates. Mr. Jacob is responsible interalia for development of the business of the Company and implementing its strategy. In his present capacity he oversees the entire Plant Operations. After acquisition by DANA

Inc. Mr. Jacob was given additional charge as Chief Operating Officer of Dana Plants in India thereby widening the scope of his control and experience. Since Mr. Jacob is the sole Managing Director he is required to shoulder substantial responsibilities of the company's growing business which includes both domestic and export business. Therefore, taking into consideration his long association, experience and intimate knowledge of the working and business of the company, Mr. Jacob is best suited for the position he occupies.

v. Remuneration proposed.

During his tenure Mr. D.E. Jacob be paid remuneration and perquisites existing at present but further subject to review/revision in future in accordance with Dana Group Remuneration Policy applicable to senior managerial personnel of the Company from time to time.

The existing terms and remuneration including perquisites presently being paid to Mr. D.E. Jacob were approved by the Nomination and Remuneration Committee and the Board of Directors at their meetings held on 22<sup>nd</sup> February, 2018, 21<sup>st</sup> June, 2018, and 22<sup>nd</sup> October 2019 are set out under 'A' above.

vi. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect of the country of his origin).

Considering the size of the company and volume of its operations both in the domestic and export fields, the background, experience and profile of Mr. D. E. Jacob and the responsibilities shouldered by him, the remuneration proposed to be paid is commensurate with remuneration packages given to similar senior level executives in other companies and in the Dana group.

vii. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any.

Apart from the proposed remuneration, Mr. Jacob does not have any other pecuniary relationship with the Company or relationship with any managerial personnel. However, Mr. Jacob holds 2 fully paid up equity shares in the Company.

### III. Other information

1. Reason of loss or inadequate profits.

Not Applicable as the company has posted a net profit after tax of ₹5482.97 lakhs during the year ended 31<sup>st</sup> March, 2019.

2. Steps taken or proposed to be taken for improvement and

3. Expected increase in productivity and profits in measurable terms.

Not applicable as the Company has adequate profits.

**IV. Disclosures**

Not Applicable

The Board commends the Special Resolutions set out at item Nos.9 and 10 of the Notice for approval by the members.

Except Mr. Jacob none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolutions set out at Item Nos.9 and 10 of the Notice except to the extent of their shareholding interest, if any, in the Company.

**Inspection of Documents**

The Employment Agreement and Supplemental Agreement referred to in this Explanatory Statement will be available for inspection by members at the Registered Office of the Company between 10 a.m. to 12 noon on any working day prior to the date of the meeting.

By Order of the Board of Directors

**Marcel Rebello**  
Company Secretary

Place: Greater Noida  
Date: November 11, 2019  
CIN No. U34300MH1990PLC055300

**Registered Office :**

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