



AIR WORKS INDIA (ENGINEERING) PRIVATE LIMITED
REGD. OFFICE: MUMBAI INTERNATIONAL AIRPORT GATE NO. 8, SANTACRUZ (EAST)
MUMBAI-400029, MAHARASHTRA, INDIA
CIN: U74210MH1986PTC040889

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 34th Annual General Meeting ('AGM') of the members of Air Works India (Engineering) Private Limited ('the Company') will be held at 05:00 p.m. (IST) on Wednesday, 23rd December, 2020 through Video Conference ('VC')/Other Audio Visual means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To consider and, if thought fit, to pass, with or without modifications the following resolution as an Ordinary Resolution:

To receive, consider and adopt:

- (a) the audited Standalone Financial Statement of the Company comprising of Balance Sheet as on 31st March, 2020, Statement of Profit & Loss for the year ended on that date along with the Cash Flow Statement as at 31st March, 2020 and the Explanatory Notes annexed to, or forming part of any document referred above, the Auditor's Report thereon and the Directors' Report thereto; and
- (b) the audited Consolidated Financial Statement of the Company comprising of Consolidated Balance Sheet as on 31st March, 2020, Consolidated Statement of Profit & Loss for the year ended on that date along with the Consolidated Cash Flow Statement as at 31st March, 2020 and the Explanatory Notes annexed to, or forming part of any document referred above and the Auditor's Report thereon.

SPECIAL BUSINESS:

2. To consider and, if thought fit, to pass, with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013 read with Schedule IV and Company (Appointment and Qualification of Directors) Rules, 2014 and Article 13.1.4 of the Articles of Association of the Company, Lt. Gen. Ajay Kumar Singh (Retd.) (DIN: 07698288), who was appointed as an Additional Director of the Company with effect from 23rd September, 2020 and who has submitted a declaration that he meets the criteria for independence as provided in the Companies Act, 2013, be and is hereby appointed as an Independent Director of the

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Company to hold office for a term of five consecutive years with effect from 23rd September, 2020.”

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013, consent of the members be and is hereby accorded to extend the term of Air Works India (Engineering) Private Ltd Employees' Stock Option Plan, 2010 ('ESOP Plan') for another term of 10 years effective from 9th February, 2021 and to extend the Exercise Period till the extended term of the ESOP Plan for the Employees to whom the Options were previously granted.

RESOLVED FURTHER THAT pursuant to the applicable provisions of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013, consent of the members be and is hereby accorded to approve the amendments in the ESOP Plan, inter-alia, with respect to the following matters:

1. **Creation of additional tranche of Class A Management Options:** Creation of an additional tranche of 25,68,155 (Twenty Five Lacs Sixty Eight Thousand One Hundred Fifty Five) of Class A Management Options out of the total pool of Options, which will be granted to Mr. Anand Bhaskar Dhanyamraju, Managing Director & CEO ('DAB'). The terms with respect to Vesting, Exercising and Cancellation shall be as per the revised draft ESOP Plan circulated.
2. **Change in Grant of Options:** The Committee has / will Grant the Options in the following manner so that the total number of Options to be Granted, and in force at any given point in time, shall not exceed an aggregate of 1,36,30,647 Options:
 - a) 57,01,500 (Fifty Seven Lakhs One Thousand and Five Hundred) Options to Vivek Narayan Gour ('VNG') out of which 32,58,000 (Thirty Two Lacs Fifty Eight Thousand) Management Options have Vested in VNG and shall remain Exercisable till 21st May, 2021 and 24,43,500 (Twenty Four Lacs Forty Three Thousand Five Hundred) Performance Options which remained Unvested on 9th February, 2018 being the Effective Date of his resignation, as defined in the Settlement Agreement, and have been forfeited and added back to the Options pool
 - b) 65,04,492 (Sixty Five Lacs Four Thousand Four Hundred Ninety Two) Management Options (excluding Class A Management Options) to Key Employees; and
 - c) 38,68,155 (Thirty Eight Lacs Sixty Eight Thousand One Hundred Fifty Five) Class A Management Options to DAB
3. **Vesting period of Additional Class A Management Options:** The additional tranche of 25,68,155 (Twenty Five Lacs Sixty Eight Thousand One Hundred Fifty Five) Class A Management Options shall have uniform vesting of 33.33% Options at each anniversary of the Grant Date over 3 years.

4. **Amendment in the compensation in lieu of Management Options granted to DAB, in the event of termination or change of terms of employment of DAB, pursuant to or consequent upon strategic sale:**

(i) Post the Strategic Sale, in the event the Company changes terms of DAB's Appointment Agreement which are less favourable to DAB, DAB may terminate the DAB's Appointment Agreement. Upon termination of the DAB's Appointment Agreement, the following consequences will follow:

- all the Unvested Class A Management Options shall be deemed Vested notwithstanding anything to the contrary contained in DAB's Appointment Agreement or in the Plan; and
- the Company shall be required to pay higher of the following, i.e., Fair Market Value of all the Vested ESOPs (including ESOPs under Accelerated Vesting as per Annexure B of DAB's Appointment Agreement and Management Options) minus the Exercise Price of the Vested ESOPs' or three times of Annual Base Salary.

Upon payment of the aforesaid amount, all the Vested Options shall be deemed forfeited, lapsed and cancelled with no further action from the Company.

(ii) In the event DAB's Appointment Agreement is terminated by the Company pursuant to, subsequent to and/or upon Strategic Sale of the Company, then the following consequences will follow:

- all the Unvested Class A Management Options shall Vest immediately notwithstanding anything to the contrary contained in DAB's Appointment Agreement or in the Plan; and
- the Company shall be required to pay higher of the following, i.e., Fair Market Value of all the Vested ESOPs (including ESOPs under Accelerated Vesting as per Annexure B of DAB's Appointment Agreement and Management Options) minus the Exercise Price of the Vested ESOPs, or three times of Annual Base Salary.

Upon payment of the aforesaid amount, all the Vested Options shall be deemed forfeited, lapsed and cancelled with no further action from the Company.

5. **Deletion of Performance Options:** Deletion of Performance Options and consequent amendment in the ESOP Plan with respect to deletion of vesting conditions as mentioned in Clause 9.3.(c) of the ESOP Plan.

RESOLVED FURTHER THAT any Director and Company Secretary be and is hereby severally authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.”

4. To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013, approval of the members of the Company be and is hereby accorded for the proposed grant of Stock Options to Mr. Anand Bhaskar Dhanyamraju, Managing Director & CEO ('DAB') in accordance with the Company's Employees' Stock Option Plan, 2010, as amended, in excess of the prescribed limit of 1% (One Percent) of the issued capital (excluding outstanding conversions of Series A Equity

Shares and Compulsorily Convertible Preference Shares) by 2.41% (Two Point Four One Percent) (approximately) of the issued capital (excluding outstanding conversions of Series A Equity Shares and Compulsorily Convertible Preference Shares), during the financial year 2020-21.

RESOLVED FURTHER THAT maximum number of Stock Options to be granted to DAB in excess of 1% of the issued capital (excluding outstanding conversions of Series A Equity Shares and Compulsorily Convertible Preference Shares) shall not exceed 18,14,381 Stock Options of the Company.”

By order of the Board of Directors of
Air Works India (Engineering) Pvt. Ltd.

Place: Gurgaon
Date: 27th November, 2020

Sd/-
Deepak Goyal
Company Secretary
M. No. ACS18961
Address: Plot No. 40, Sector - 18
Gurgaon -122001

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, read with the relevant Rules made thereunder, setting out the material facts, in respect of Item no. 2, 3 and 4 of the Notice of AGM is enclosed herewith.
2. In view of the continuing impact of COVID -19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circulars No. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020 (collectively 'MCA Circulars') has permitted the holding of the Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM'), without physical presence of the members at a common venue on or before 31st December, 2020. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013, the 34th AGM of the Company is being held through VC/ OAVM. The deemed venue of the AGM shall be the Registered Office of the Company.
3. Since this AGM is being held through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of Proxy to attend and cast vote for the members at this AGM is not available and hence the proxy form and attendance slip are not annexed to this Notice. However, pursuant to the provisions of Section 112 and 113 of the Companies Act, 2013, Corporate members may appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes.
4. The members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 read with Articles of Association of the Company.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company at deepak.goyal@airworks.in, a certified copy of Board resolution authorising their representative to attend and vote on their behalf at the meeting.
6. Members are requested to notify their change of their email address, if any to the Company immediately.
7. In line with the MCA Circulars, the notice of the AGM along with all the documents referred therein are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company.
8. The members can join the AGM in the VC/OAVM made 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice.
9. In the line with the MCA Circulars, the notice calling the AGM has been uploaded on the website of the Company at www.airworks.aero
10. In case any member require any further clarification on the proposed resolutions, they can submit their questions in advance on the email address at deepak.goyal@airowrks.in
11. As the AGM is being held through VC/ OAVM, the route map is not annexed to this Notice.

12. Members are requested to carefully read the Instructions for attending the AGM mentioned hereunder:

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- (a) The invitation to join the meeting will be sent to the members on their registered email addresses along with the Notice of the AGM. The members may attend the AGM by following the link sent to their registered email address.
- (b) The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.
- (c) Please note that Participants Connecting from Mobile Device or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid issues.
- (d) During the meeting, members may cast their votes on the proposed resolution by show of hands and in case the poll is demanded, the members may send their decision at deepak.goyal@aiowrks.in from their registered email address.
- (e) The helpline number for joining the meeting through Electronic mode will be provided in the meeting invitation which will be sent to the members.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 2

The Board of Directors based on the recommendation of Compensation Committee had appointed Lt. Gen. Ajay Kumar Singh (Retd.) as an Additional Director of the Company with effect from 23rd September, 2020, in accordance with the provisions of Section 161 of the Companies Act, 2013 ('Act') and Articles of Association of the Company, to hold office upto the date of ensuing Annual General Meeting. He was appointed as an Independent Director under Section 149 of the Act, to hold office for a term of five (5) years with effect from 23rd September, 2020, subject to the approval of the members of the Company.

Pursuant to Section 149, 150 and other applicable provisions of the Act and rules made thereunder read with Schedule IV of the Act, the appointment of Lt. Gen. Ajay Kumar Singh (Retd.) requires approval of the Members by way of an Ordinary Resolution.

The Company has received declaration from Lt. Gen. Ajay Kumar Singh (Retd.) that he is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act

and other applicable provisions of the Act and has given his consent for the appointment. Further, the Company has also received a declaration from Lt. Gen. Ajay Kumar Singh (Retd.) confirming that he meets the criteria of independence as provided in Section 149(6) of the Act.

Lt. Gen. Ajay Kumar Singh, PVSM, AVSM, SM, VSM (Retd.) the erstwhile Lt Governor of the Andaman & Nicobar Islands and Puducherry, Ex GOC in C Southern Command is one of the few officers to have trained with both the NATO & Warsaw Pact at the height of Cold War. Known for his high integrity and professionalism, the General is looked upon as a role model by large numbers in the Armed Forces. He has been a member of Prime Minister's Team India, as also a member of the National Development Council and Inter State Council. His book "Military Strategy for India in the 21st Century" has been published in 2019. For his distinguished services the General has been conferred with numerous awards both in the Army & the Civil.

Keeping in view his expertise, knowledge in Defence Sector, the Board is of opinion that it would be in the interest of the Company to appoint him as an Independent Director of the Company. Accordingly, the Board recommends this resolution for appointment of Lt. Gen. Ajay Kumar Singh (Retd.) as an Independent Director for a term of five consecutive years from 23rd September, 2020 for the approval by the members of the Company.

Except Lt. Gen Ajay Kumar Singh (Retd.), being an appointee, none of the other Directors, Key Managerial Personnel or any of their relatives, are concerned or interested, financially or otherwise, in the above said resolution. As the Company has not appointed any person as a 'Manager' in terms of the provisions of Section 2(53) of the Act, the Company is not required to mention about the nature of concern or interest, financial or otherwise, of a Manager for this agenda item.

As required in terms of Standard 1.2.5 of Secretarial Standards on General Meetings, the relevant details of Lt. Gen Ajay Kumar Singh (Retd.) are given below:

Particulars	Lt. Gen. Ajay Kumar Singh (Retd.)
Director Identification Number	07698288
Age	67 Years
Qualification & Experience	As mentioned above
Terms and condition of appointment	Independent Director for a term of 5 years.
Remuneration sought to be received	Sitting fees for attending the Board/Committee meetings will be paid.
Date of First appointment on the Board of the Company	23 rd September, 2020
Number of shares held in the Company	Nil
Relationship with other Directors/ Manager/ KMPs	None
Number of meetings of the board attended during the year ended March 31, 2020	N.A.
Directorships of other Companies (excluding foreign companies and Section 8 companies)	Independent Director in Morarjee Textiles Limited.
Chairmanships/Memberships of Committees of other Boards	Chairman of Audit Committee, Nomination & Remuneration

	Committee and Stakeholders' Relationship Committee and a member of CSR Committee at Morarjee Textiles Limited
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Item No. 3

The Company had issued and allotted, 1,36,30,647 equity shares aggregating to 18.05% of the total shareholding of the Company to Air Works Employees Welfare Trust ('Trust'), to grant stock options to the employees from time to time. With this objective, the Company had formulated Air Works India (Engineering) Private Ltd. Employee Stock Option Plan, 2010 ('ESOP Plan') which was come into effective from 9th February, 2011 and further modified from time to time for the benefit of the employees of the Company/subsidiaries.

The Compensation Committee inter-alia, had recommended to the Board the grant of additional 25,68,155 (Twenty Five Lacs and Sixty Eight Thousand One Hundred Fifty Five) Class A Management Options, in one or more tranches, out of the total available pool of Options, to Mr. Anand Bhaskar Dhanyamraju, Managing Director & CEO ('DAB') as a compensation for effectively managing and successfully completing the divestitures along with keeping the financial wheel of the Company running.

To enable the Company to grant additional tranches of Class A Management Options to DAB, the ESOP Plan of the Company needs to be amended for which members approval is required.

Further along with the said amendment, it is also proposed to extend the term of ESOP Plan for another term of 10 years effective from 9th February, 2021 and to facilitate the Employees, who were previously granted Management Options and had not yet exercised their options, it is also proposed to extend the Exercise Period till the extended term of the ESOP Plan i.e. for another term of 10 years.

The said amendment to the ESOP Plan is not prejudicial to the interest of the eligible Employees and Option holders covered under the ESOP Plan. The amended ESOP Plan is enclosed with this Notice.

In terms of the ESOP Plan read with Rule 12 of the Companies (Share Capital & Debenture) Rules, 2014 and other applicable rules under the Companies Act, 2013, any amendment, alteration, variation of all or any of the terms and conditions of the Plan or all or any right and obligations of the participants requires approval of members by way of a Special Resolution. Accordingly, the Board of Directors of the Company recommends this resolution for approval of the members of the Company as a Special Resolution.

Further, in terms of the provisions of Articles of Association of the Company, the resolution is subject to the affirmative consent of certain members ('Investors') of the Company.

Except Mr. Anand Bhaskar Dhanyamraju, none of the Directors or Key Managerial Personnel of the Company, including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 4

In terms of the applicable provisions of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules under the Companies Act, 2013, approval of members of the Company is required to be sought in case of grant of Stock Options to the employees during any one financial year being equal to or exceeding 1% (One Percent) of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant of Options.

As the aggregate number of Stock Options proposed to be granted now will exceed 1% of the issued capital of the Company, prior approval of the members of the Company is being sought to grant Stock Options in accordance with the Company's ESOP Plan, so that the maximum number of Stock Options to be granted in excess of the aforesaid limit does not exceed 18,14,381 Stock Options.

Accordingly, the Board of Directors recommends this resolution for approval of members of the Company as an Ordinary Resolution.

Further, in terms of the provisions of Articles of Association of the Company, the resolution is subject to the affirmative consent of certain members ('Investors') of the Company.

Except Mr. Anand Bhaskar Dhanyamraju, none of the Directors or Key Managerial Personnel of the Company, including their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

By order of the Board of Directors of
Air Works India (Engineering) Pvt. Ltd.

Place: Gurgaon
Date: 27th November, 2020

Sd/-
Deepak Goyal
Company Secretary
M. No. ACS18961
Address: Plot No. 40, Sector - 18
Gurgaon -122001