LETTER OF APPOINTMENT FOR INDEPENDENT DIRECTORS

To,

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Dear Sir,

I am writing to confirm our decision to appoint you on the Board of Directors of Autoline Industries Limited (hereinafter referred to as AIL or the Company) as an Independent Director. This letter of appointment sets out the terms and conditions covering your appointment which are as follows:

1. Appointment

a) You will be appointed as a Non-Executive Independent Director on the Board of Directors of AIL to hold office from conclusion of 18th Annual General Meeting of the Company. Your appointment is subject to approval of the election and appointment by the Shareholders as per the provisions of the Companies Act, 2013. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013 and the listing agreement.

b) Your appointment as an Independent Director to hold office will be for 5 (five) consecutive years for a term up to the conclusion of the 23rd Annual General Meeting of the Company in the calendar year 2019.

c) The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage Non-Executive Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.

2. Committees

The Board of Directors (the Board) may, if it deems fit, invite you for being appointed on one or more existing Board Committees or any such Committee that is set up in the future. Your appointment on such Committee(s) will be subject to the applicable regulations.

3. Time Commitment

a) As a Non-Executive Director you are expected to bring objectivity and independence of view to the Board's discussions and to help provide the Board with effective leadership in relation to the Company's strategy, performance, and risk management as well as ensuring high standards of financial probity and corporate governance. The Board meets at least four times in a year. The Audit Committee also meets at least four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Investors' Grievance and Share Transfer Committee, Stakeholders' Relationship Committee, Executive Committee, Compensation Committee and Corporate Social Responsibility Committee meetings. You will be expected to attend Board, Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Pune.

b) By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board.

4. Professional Conduct:

As an independent director you shall:

a) uphold ethical standards of integrity and probity;

b) act objectively and constructively while exercising his duties;

c) exercise his responsibilities in a bona fide manner in the interest of the company;

d) devote sufficient time and attention to his professional obligations for informed and balanced decision making;

e) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;

f) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

g) refrain from any action that would lead to loss of his independence;

h) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;

i) assist the company in implementing the best corporate governance practices.

5. Role and functions:

As an independent director you shall:

a) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

b) bring an objective view in the evaluation of the performance of board and management;

c) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;

d) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;

e) safeguard the interests of all stakeholders, particularly the minority shareholders;

f) balance the conflicting interest of the stakeholders;

g) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;

h) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

6. Duties :

Your duties will be those normally required of a Non-Executive Independent Director under the Companies Act, 2013 and the listing agreement. There are certain duties prescribed for all Directors, both Executive and Non-Executive, which are fiduciary in nature and are as under:

As an independent director you shall—

a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;

b) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;

c) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

e) strive to attend the general meetings of the company;

f) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;

g) keep themselves well informed about the company and the external environment in which it operates;

h) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;

i) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;

j) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

k) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

l) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

m) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

7. Status of Appointment

a) You will not be an employee of the Company and this letter shall not constitute a contract of employment. You will be paid such remuneration by way of sitting fees for meetings of the Board and its Committees as may be decided by the Board and approved by the Shareholders from time to time.

Further, you will also be paid remuneration by way of commission as may be approved by the Board and the Shareholders from time to time.

b) The sitting fees presently paid to the Non-Executive Independent Director is Rs. 20,000/- per meeting of the Board.

8. Reimbursement of Expenses

In addition to the remuneration described in paragraph 7 the Company will, for the period of your appointment, reimburse you for travel, hotel and other incidental expenses incurred by you in the performance of your role and duties.

9. Conflict of Interest

a) It is accepted and acknowledged that you may have business interests other than those of the Company. As a condition to your appointment commencing, you are required to declare any such directorships, appointments and interests to the Board in writing in the prescribed form at the time of your appointment.

b) In the event that your circumstances seem likely to change and might give rise to a conflict of interest or, when applicable, circumstances that might lead the Board to revise its judgment that you are independent, this should be disclosed to both the Chairman and the Secretary.

10. Confidentiality

All information acquired during your appointment is confidential and should not be released, either during your appointment or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law or by the rules of any stock exchange or regulatory body. On reasonable request, you shall surrender any documents and other materials made available to you by AIL.

Your attention is also drawn to the requirements under the applicable regulations and the AIL Insider Trading Code which concern the disclosure of price sensitive information and dealing in the securities of AIL. Consequently you should avoid making any statements or performing any transactions that might risk a breach of these requirements without prior clearance from the Chairman or the Secretary.

11. Evaluation

The Company has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors,

including the Chairman of the Board. As per the Policy, the Company will carry out an evaluation of the performance of the Board as a whole, Board Committees and Directors on an annual basis. Your appointment and re appointment on the Board shall subject to the outcome of the yearly evaluation process.

12. Insurance

AIL has Directors' and Officers' liability insurance and it is intended that AIL will assume and maintain such cover for the full term of your appointment.

13. Independent Professional Advice

There may be occasions when you consider that you need professional advice in furtherance of your duties as a Director and it will be appropriate for you to consult independent advisers at the Company's expense. The Company will reimburse the full cost of expenditure incurred in accordance with the Company's policy.

14. Disclosure of Interest

The Company must include in its Annual Accounts a note of any material interest that a Director may have in any transaction or arrangement that the Company has entered into. Such interest should be disclosed no later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and our records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

15. Termination

a) You may resign from your position at any time and should you wish to do so, you are requested to serve a reasonable written notice on the Board.

b) Continuation of your appointment is contingent on your getting re-elected by the shareholders in accordance with provisions of Companies Act, 2013 and the Articles of Association of the Company, from time to time in force. You will not be entitled to compensation if the shareholders do not re-elect you at any time.

c) Your appointment may also be terminated in accordance with the provisions of the Articles of Association of the Company from time to time in force.

16. Governing Law

This agreement is governed by and will be interpreted in accordance with Indian law and your engagement shall be subject to the jurisdiction of the Indian courts.

If you are willing to accept these terms of appointment relating to your appointment as a non-executive Independent Director of AIL, kindly confirm your acceptance of these terms by signing and returning to us the enclosed copy of this letter.

Yours sincerely

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Managing Director

For and on behalf of Autoline Industries Limited

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signed …….. Dated ……..