AUTOLINE INDUSTRIES LIMITED
CIN-L34300PN1996PLC104510
Registered Office: Survey Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan, Tal: Khed, District Pune-410501; **Tel:** +91 2135 635865/6; Fax: +91 2135 635864; **Website:** www.autolineind.com
Email: investorservices@autolineind.com

Dear Member(s),

POSTAL BALLOT NOTICE

Notice is hereby given pursuant to sub-section (1) of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with Rule 22 of Companies (Management and Administration) Rules, 2014 (the "Rules") and General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular 22/2020 dated June 15, 2020 issued by the Ministry of Corporate Affairs (collectively called the "MCA Circulars") on account of the threat posed by Covid -19 pandemic and any other applicable laws and regulations, to transact the below mentioned proposed special businesses by the members of Autoline Industries Limited ("the Company") by passing resolutions through postal ballot ("Postal Ballot") only through remote e-voting.

In view of the current extraordinary circumstances due to COVID-19 pandemic requiring social distancing, Ministry of Corporate Affairs, Government of India (the "MCA") in terms of the MCA Circulars, has advised the companies to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot / e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. Accordingly, the Company will send Postal Ballot Notice only by email to all its members who have registered their email addresses with the Company or depository / depository participants and the communication of assent / dissent of the members will only take place through the remote e-voting system. This Postal Ballot is accordingly being initiated in compliance with the MCA Circulars.

Hence, in compliance with the requirements of the MCA Circulars, hard copy of Postal Ballot Notice along with Postal Ballot Forms and pre-paid business reply envelope will not be sent to the members for this Postal Ballot and members are required to communicate their assent or dissent through the remote e-voting system only.

You are requested to pursue the proposed Resolutions along with their Explanatory Statement and to carefully read the instructions printed overleaf and thereafter record your assent (for) or dissent (against) by means of remote E-voting facility provided by the Company.

In compliance with Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and provisions of Sections 108 and 110 of the Companies Act, 2013 read with applicable Rules and abovementioned MCA Circulars, the Company is offering e-voting facility to all its Members to exercise their right to vote, the details whereof are specified under instructions in Note No. 9 of this notice. The Company has engaged Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities to the Members. The e-voting facility will be available at the link https://www.evotingindia.com starting from 9:00 a.m. on August 26, 2020 until 5:00 p.m. on September 24, 2020.

The Scrutinizer will submit his report to the Chairman or in his absence, to any other person authorized by him after completion of the scrutiny of e-voting and the result of the same will be announced at 5:00 p.m. on Friday, September 25, 2020 at the Registered Office of the Company at Survey Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Tal; Khed, Dist. Pune- 410501. The result of the Postal Ballot shall also be displayed on the Notice Board at the Registered Office of the Company and also hosted on the Company's website:

www.autolineind.com as well as on the website of CDSL i.e. www.cdslindia.com besides being communicated to the Stock Exchanges. The Resolution(s), if approved, will be taken as effectively passed as on the last date specified by the Company for receipt of assents(s) or dissents(s) by e-voting i.e., September 24, 2020 and shall be deemed to have been duly passed at a general meeting convened in that behalf.

SPECIAL BUSINESS:

ITEM No. 1:

To approve issue of Equity Shares of the Company to JM Financial Asset Reconstruction Company Limited on preferential basis

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

"**RESOLVED THAT** pursuant to the provisions of Section 23, 42 and 62(1)(c) and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rule, 2014 and Rule 13 of the Companies (Share Capital and Debenture) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereto or reenactment thereof for the time being in force) and subject to the provisions of Chapter V and other applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including any statutory modifications thereto or reenactment thereof for the time being in force) ("SEBI ICDR Regulations") and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modifications thereto or reenactment thereof for the time being in force) ("SEBI LODR Regulations"), and other applicable rules, regulations and guidelines of Securities and Exchange Board of India ("SEBI Regulations") including Listing Agreement entered into by the Company with the Stock Exchanges and enabling provisions of the Articles of Association of the Company and pursuant to the provisions of any Act/Rules/Regulations/Guidelines issued/framed by the Central Government, Reserve Bank of India or any other statutory authority and subject to the approval, consent, permission and/ or sanction, as may be required from the Central Government, Reserve Bank of India, Stock Exchanges and any other appropriate authority, institution or body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise any of its power including the power conferred by this resolution), the consent of the Members of the Company be and is hereby accorded to the Board of the Company to create, offer, issue and allot upto 2702702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) Equity Shares of face value of INR 10/- each , fully paid-up, in one or more tranches, on a preferential basis to JM Financial Asset Reconstruction Company Limited (hereinafter referred to "Proposed allottee /Lender") by converting its secured loan of not exceeding INR 10,00,00,000 (Rupees Ten Crores only) at a price of INR 37/- each (including premium of INR 27/- each) or at such price being not less than higher of the average price as calculated with reference to the below mentioned relevant date in accordance with the regulation 164 (1) of the SEBI ICDR Regulations, whichever is higher, on such terms and conditions and in such manner as may be approved or finalized by the Board.

RESOLVED FURTHER THAT the "Relevant Date" for the preferential issue, as per SEBI ICDR Regulations, for the determination of price for the issue of the above mentioned shares, shall be August 25, 2020 being the date 30 (thirty) days prior to the last date specified by the Company for receipt of assents/ dissents from shareholders by E-voting i.e. the deemed date of the meeting of shareholders.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted on preferential basis shall rank *pari-passu* with the existing Equity Shares of the Company in all respects and shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT subject to the provisions of SEBI ICDR Regulations, Companies Act, 2013 and other applicable laws, the Board be and is hereby authorised to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue to JM Financial Asset Reconstruction Company Limited.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things including without limitation, effecting any modification to the terms of the issue, making application to the concerned regulatory authorities, giving an offer to the proposed allottee through private placement offer letter in the form of PAS-4, if required and to appoint legal advisors, agencies, intermediaries as may be required, to execute any agreements or other instruments with the lender, to settle any questions or difficulties that may arise, and to take such actions or give such directions as the Board in its absolute discretion deem fit, desirable and necessary for the issue and allotment of the above referred Equity Shares without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolution to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

ITEM NO. 2

To approve issue of Optionally Convertible Debentures to JM Financial Asset Reconstruction Company Limited on preferential basis

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

"RESOLVED THAT in accordance with the provisions of Section 23, 42 and 62 (1) (c) and 71 of the Companies Act, 2013 and Rule 13 and 18 of the Companies (Share Capital and Debenture) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rule, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto or re-enactment thereof for the time being in force)(the "Act"), and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to and in accordance with the provisions of Chapter V and other applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended (the "Takeover Regulations"), The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI LODR Regulations"), and the listing agreement entered into with the respective stock exchanges where the shares of the Company are listed (the "Stock Exchange(s)"), and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by the Securities and Exchange Board of India (the "SEBI"), the Ministry of Corporate Affairs, the Stock Exchange(s), and/or any other competent regulatory authorities, and subject to the approval, consent, permission and/ or sanction, as may be required from the Central Government, Reserve Bank of India, Stock Exchanges and any other appropriate authority, institution or body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee which the Board has constituted or may hereinafter constitute to exercise any of its power including the power conferred by this resolution), the consent of the Members of the Company be and is hereby accorded to the Board of the Company to create, offer, issue and allot upto 21,42,857 (Twenty

one Lakhs Forty Two Thousand Eight Hundred Fifty Seven only), 9% Optionally Convertible Debentures ("OCDs/Debentures") of INR 70/- each "Issue Price"), fully paid-up, for an aggregating amount up to INR 150000000/- (Rupees Fifteen Crore only), in one or more tranches, on a preferential basis to JM Financial Asset Reconstruction Company Limited (hereinafter referred to "Proposed allottee /Lender") by converting its secured loan of not exceeding INR 15,00,00,000 (Rupees Fifteen Crores only) and that such OCDs may be converted at the option of lender within a time frame of not exceeding 18 months from the date of allotment into equal number of equity shares i.e. upto 21,42,857, fully paid up, Equity shares of INR 10/- each of the Company at a price of INR 70/- (including premium of INR 60/-) per share or at such price being not less than higher of the average price as calculated with reference to the below mentioned relevant date in accordance with the regulation 164 (1) of the SEBI ICDR Regulations, whichever is higher, or shall be redeemed in such manner and on such terms and conditions as may be agreed between the Company and the Lender, time to time.

RESOLVED FURTHER THAT pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of Chapter V and other applicable provisions of SEBI ICDR Regulations and applicable provisions of other laws, rules, regulations and guidelines, the approval of the members of the Company be and is hereby accorded to the terms of issue and allotment of such OCDs containing such an option to convert said OCDs into equivalent number of equity shares of the Company, fully paid up, of INR 10 each at a price as mentioned above.

RESOLVED FURTHER THAT the Relevant Date, as per Chapter V of the SEBI (ICDR) Regulations for the determination of issue price of Equity shares to be allotted on conversion of OCDs shall be August 25, 2020 being the date which is 30(thirty) days prior to the last date specified by the Company for e-voting i.e. the deemed date of the meeting of shareholders.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the OCDs shall be issued on the following terms:

i. That the OCDs shall be allotted in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company;

ii. That the OCDs shall not be listed on stock exchanges and shall be subject to a lock-in for such period as specified under Chapter V of SEBI ICDR Regulations from the date of allotment;

iii. That the OCDs shall be secured as agreed with the lender;

iv. That the OCDs shall be converted into the Equity Shares at the option of the OCD holder within a period of 18 (eighteen) months from the date of allotment or shall be redeemed at Issue Price;

v. That no fractional share shall be issued by the company;

vi. That the said OCDs are restricted for sale or transfer to the extent as agreed between the parties;

vii. That the OCDs shall carry interest @ 9% p.a or at such other rate as may be agreed mutually time to time;

viii. That the OCDs by themselves do not give to the holder thereof any rights of a shareholder of the Company;

ix. That the converted shares of OCD holder shall also be entitled to any future bonus/ right issues of Equity Shares or other securities convertible into Equity Shares by the Company in the same proportion and manner as any other shareholders of the Company for the time being;

x. That the equity shares to be so allotted on conversion of OCDs shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company, and shall rank pari passu in all respects including dividend, with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized, in its entire discretion, to do all such acts, matters, deeds and things including without limitation, effecting any modification to the terms of the issue, making application to the concerned

regulatory authorities, giving an offer to the proposed allottee through private placement offer letter in the form of PAS-4, if required and to appoint debenture trustee, legal advisors, agencies, intermediaries as may be required and to execute necessary documents, contract etc. with them, to execute any agreements or other instruments with the lender, to mutually decide the period of redemption after expiry of 18 months period, to settle any questions or difficulties that may arise, and to take such actions or give such directions as the Board in its absolute discretion deem fit, desirable and necessary for the issue and allotment of the OCDs and their conversion into equity shares or redemption, as the case may be, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by the above resolution to any Director(s) or to any Committee of the Board or any other Officer(s) of the Company to give effect to the aforesaid resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

ITEM No. 3:

To approve the terms of Loan(s) and conversion of such Loan(s) into Equity Shares of the Company

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

"RESOLVED THAT pursuant to Section 62 (3) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modifications thereto or re-enactment thereof for the time being in force) and in accordance with the enabling provisions of the Articles of Association of the Company ("AOA"), and applicable provisions of other laws, rules, regulations and guidelines, and subject to all such approvals, permissions or sanctions as may be necessary and subject to such condition(s) and modification(s) as may be prescribed or imposed, while granting such approval(s), permission(s) or sanction(s) which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which expression shall be deemed to include any Committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the Members of the Company be and is hereby accorded to the Board in respect of the financial assistance/credit facilities extended / to be extended whether the same is in the form of term loan, working capital term loan, cash credit , funded interest term loan, non-convertible debentures, optionally convertible debentures etc. to the Company under the lending arrangements (restructured and/or existing and/or future arrangements) with JM Financial Asset Reconstruction Company Limited ("JMFARC"), Tata Motors Finance Solutions Limited ("TMFSL") and various banks and/or financial institutions (hereinafter collectively referred to as the Lender/s) that the said financial assistance be converted into Equity Shares of the Company as stipulated or specified by the lenders under the financing/restructured documents executed in respect of the financial assistance which have already been availed or may be availed or restructured on such terms and conditions as stipulated in the financing documents or as mutually agreed and subject to the applicable Law and as per the mutually agreed and upon receipt of notice of conversion in writing from the lender/s (or their agents or trustees) (hereinafter referred to as the Notice of Conversion) and in accordance with the following conditions.:

(i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistances provided the conversion rights specifically stipulated or specified under the financing/restructured documents or agreed with the Board of the Company;

(ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents and other applicable provisions of other laws, rules, regulations and guidelines, allot and issue the requisite number of equity shares to the Lenders and the Lenders may accept the same in satisfaction of the part of the loans so converted;

(iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment installments of the

loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The said shares shall rank pari passu with the existing equity shares of the Company in all respects.

(iv) In the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders as a result of the conversion, listed with such stock exchanges where the existing equity shares of the Company are listed and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders, to ensure that the equity shares are listed.

(v) The loans shall be converted into equity shares at a price to be determined in accordance with the financing /restructured documents as executed between the Lenders and the Company or applicable provisions of SEBI Regulations at the time of such conversion.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions for raising the Financial Assistances and/or restructured the financial assistance already availed, from time to time, with an option to convert the Financial Assistances into equity shares of the Company anytime during the currency of the Financial Assistances, on the terms specified in the financing documents.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable to create, offer, issue and allot the aforesaid shares and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection therewith or incidental thereto as the Board in its absolute discretion may deem fit and to sign such applications, letters and documents while liasoning with the banks and give such directions/instructions as may be required to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Committee of Directors or any Director(s) or any Officer(s) of the Company."

By Order of the Board of Directors of
Autoline Industries Limited
Sd/-
Ashish Gupta
Company Secretary & Compliance officer
Membership No. : A16368

Pune, August 24, 2020

Registered Office: Survey No. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka- Khed, District- Pune 410501 CIN: L34300PN1996PLC104510

E-mail: investorservices@autolineind.com

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto as **ANNEXURE - 1**.

2. This Postal Ballot Notice is being sent only by E-mail to all the Shareholders, whose names appear on the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) as on the cut-off date fixed for dispatching the Notice i.e. August 21, 2020. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity shares capital of the Company as on August 21, 2020 ("the Cut off date"). A person who is not a Member as on the cutoff date should treat this Notice for information purposes only.

3. This Postal Ballot Notice along with Form is being sent electronically only to those Members who have registered their e-mail address with the Company/share transfer agent of the Company (in respect of shares held in physical form) or with their Depository Participants (DPs) (in respect of shares held in electronic form) and made available to the Company/Share transfer agent of the Company by the DPs.

4. In compliance with Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013 including rules made thereunder, if any, the Company is pleased to offer the of e-voting to all the Members of the Company. For this purpose, the Company has availed the said facility from CDSL for facilitating e-voting, to enable the Members to cast their votes electronically instead of physical mode.

5. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the SEBI Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one regional daily newspaper circulating in Maharashtra (in vernacular language, i.e. Marathi).

6. The Board of Directors has appointed Mr. Sunil Nanal, Designated Partner, KANJ & Co. LLP, Pune as Scrutinizer for conducting the Postal Ballot process including e-voting process in a fair and transparent manner.

7. The Postal Ballot Notice shall be uploaded on the Company's website viz., www.autolineind.com and on the website of CDSL at www.cdslindia.com.

8. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during 10:00 a.m. to 1:00 p.m. on all working days up to September 24, 2020, i.e. the last day of e-voting.

9. The instructions for shareholders voting electronically are as under:

   (i) The voting period begins on Wednesday, August 26, 2020 (9:00 a.m.) and ends on Thursday, September 24, 2020 (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 August 21, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

   (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

   (iii) Click on Shareholders / Members

   (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 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:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	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. • 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).

(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 <Company Name> 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed 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 users can download the app from the App Store and the Windows Phone Store respectively. 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 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.
- 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com or contact on 1800225533 or send an e-mail at investorservices@autolineind.com or contact on phone No.: 02135-635857.

Annexure I
(Explanatory Statement setting out material facts under Section 102 of the Companies Act, 2013)

ITEM NO. 1

The Special Resolution as mentioned under item no. 1 proposes to authorize the Board of Directors to issue and allot up to 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) Equity Shares to JM Financial Asset Reconstruction Company Limited subject to necessary approvals and compliances with the applicable provisions. Disclosures/Information as required under the respective laws, rules, regulations and guidelines for Preferential Issue are as under:

Particulars of the offer including date of passing of Board Resolution: As per the provisions of Section 42 and 62(1) (c) of the Companies Act, 2013 and rules made thereunder and the provisions of SEBI (ICDR) Regulations, a Company offering or making an invitation to subscribe equity shares on a preferential allotment basis is required to obtain the prior approval of members by way of a Special resolution. Accordingly, the Board at its meeting held on August 24, 2020, subject to necessary approval(s), has approved the proposal to issue upto 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) Equity Shares of the Company for an aggregate amount up to INR 100000000/- (Rupees Ten Crore only) on preferential basis to JM Financial Asset Reconstruction Company Limited (hereinafter referred as "Lender") as mentioned in the Special Resolution under Item no. 1.

1) **The Objects of the preferential issue:** The Company has entered into restructuring scheme with the Lender, one of the lenders of the Company to restructure its loan/credit facilities and as per the terms of restructuring scheme an amount of not exceeding INR 10,00,00,000 (Rupees Ten Crores Only) has to be converted into equity shares of the Company. Accordingly the Company will issue upto 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) Equity shares on preferential basis to the lender and an amount of loan upto INR 10,00,00,000 (Rupees Ten Crores Only) will be adjusted against issue of 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) equity shares on preferential basis to the lender. This will result in substantial reduction of loan availed from the Lender, strengthening the financial condition of the Company and to increase in net worth of the Company.
2) **The kind of securities and maximum number of shares to be issued and amount to be raised:** The Board intends to offer, issue and allot up to 27,02,702 (Twenty Seven Lakhs Two Thousands Seven Hundreds and Two) Equity Shares of the Company, having face value of INR 10/- (Rupees Ten only) each at a price as mentioned below.
3) **The price or price band at/within which the allotment is proposed:** The issue price is INR 37/- (Rupees Thirty Seven Only) per equity share (including premium of INR 27/- per share) or at such price being not less than higher of the average price as calculated with reference to the below mentioned relevant date in accordance with the regulation 164 (1) of the SEBI ICDR Regulations, whichever is higher.

Regulation 164 of the SEBI ICDR Regulations provides that if the equity shares of the issuer have been listed on a recognised stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

(a) The average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or

(b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

4) **Basis on which the price has been arrived at along with report of the registered valuer:** The issue price is arrived at in accordance with Regulation 164 (1) of the SEBI ICDR Regulations. Hence, the report of the registered valuer to arrive at the issue price is not applicable.

5) **Relevant date with reference to which the price has been arrived at:** The Relevant Date in terms of Regulation 161 of the SEBI ICDR Regulations for determination of price is August 25, 2020, being a date which is 30 days prior to the last date specified by the Company for E-voting.

6) **Class or classes of persons to whom the allotment is proposed to be made:** The allotment is proposed to be made to existing lender/financial institution, their holding and other details are mentioned at disclosure no. 9 below.

7) **The intent/Proposal of the Promoters, Directors or Key Managerial Personnel to subscribe to the offer:** None of the promoter, directors or key managerial person of the Company are subscribing to the offer.

8) **The time within which the preferential issue shall be completed:** The Company will issue and allot equity shares to Proposed Allottee within a period of 15 (fifteen) days from the date of passing of special resolution, provided that where permission by any regulatory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall be counted from the date of approval or permission, as the case may be.

9) **The identity of the Proposed Allottees, the percentage of post issue capital that may be held by the Proposed Allottees:**

Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/ or who ultimately control the proposed allottees and other details are as under:

Sr. No	Identity of Proposed Allottee	Ultimate Beneficial Owner	Category	Pre-issue		Proposed Allotment	Post Issue*		
				No. of Shares	%	No. of Shares	No. of Shares	% Before conversion of Debentures	% After conversion of Debentures
1	JM Financial Asset Reconstruction Company Limited.	Details are given in Note-1	Financial Institution	Nil	--	27,02,702	27,02,702	8.73	14.64

Note-1: The proposed allottee is Financial Institution within the meaning of sub clause (ia) of clause (h) of section 2 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 and registered with the Reserve Bank of India (RBI) as Securitisation and Reconstruction Company. Further, the parent company of the proposed allottee i.e. JM Financial Limited is Listed on BSE and NSE.

* *Post Issue details for no. of shares is given considering full allotment of equity shares and % after conversion of Debentures is given considering conversion of all debentures issued pursuant to the present preferential offer.*

10) **Terms of Issue of Equity Shares:** The Equity Shares to be allotted in terms of the Resolution under Item No. 1 shall rank pari-passu with existing Equity shares of the Company in all respects.

11) **The change in control, if any, in the Company that would occur consequent to the preferential offer:** There will be no change in control consequent to this preferential offer.

12) **Number of persons to whom allotment on preferential basis has been made during the year, in terms of number of securities as well as price:** Nil.

13) **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** The allotment is proposed to be made by converting the secured loan of the lender and the amounts of loan were received in cash by the Company. As per the restructuring terms of the outstanding secured loan of the Lender, an amount of loan not exceeding INR 10 Crores has to be converted into equity shares. The allotment of shares by a Company to a person in

lieu of a genuine debt due towards him can be considered as allotment for consideration in cash. Hence, valuation report of the registered valuer is not required for valuation of the assets in consideration for which the equity shares are issued.

14) **The Shareholding Pattern of the Company pre and post preferential issue:** Pre Issue details as on August 21, 2020 being the latest practicable date prior to the approval of Board of the Company and issuance of notice to the shareholders.

Sr. No	Category	Pre issue		Post Issue*			
		No. of shares held	% of holding	Before Conversion of Debentures		After Conversion of Debentures	
				No. of shares held	% of holding	No. of shares held	% of holding
(A)	**Promoter's holding**						
1	**Indian**						
a	Individuals	8261258	29.23	8261258	26.68	8261258	24.95
b	Bodies Corporate	1000000	3.54	1000000	3.23	1000000	3.02
2	**Foreign Promoters**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
	Sub-Total (A)	**9261258**	**32.77**	**9261258**	**29.91**	**9261258**	**27.97**
(B)	**Non-Promoter's holding:**						
1	**Institutional Investors**	4795420	16.97	4794520	15.49	4794520	14.49
	JM Financial ARC	0	0.00	2702702	8.73	4845559	14.64
2	Non Institution:						
	Private Corporate Bodies	1722597	6.10	1722597	5.56	1722597	5.20
	Directors and Relatives	9575	0.03	9575	0.03	9575	0.03
	Indian Public	8244862	29.17	8244862	26.63	8244862	24.90
	Others (Including NRIs)	4226750	14.96	4226750	13.65	4226750	12.77
	Sub-Total (B)	**18999204**	**67.23**	**21701906**	**70.09**	**23844763**	**72.03**
	GRAND TOTAL	**28260462**	**100**	**30963164**	**100**	**33106021**	**100**

**Post Issue details is given assuming full allotment of equity shares before conversion of Debentures and after conversion of all Debentures issued pursuant to the present preferential offer.*

15) **Lock in Requirements:** The securities allotted to Proposed Allottee pursuant to this preferential offer shall be locked in for such period as may be specified under Regulation 167 of the SEBI ICDR Regulations or any other applicable provisions and/or agreed with the lender. The entire pre-preferential allotment shareholding of the proposed allottee(s), if any, shall be under locked-in from the relevant date up to a period of six months from the date of trading approval as per Regulations 167 (6) of the SEBI LODR Regulations.

16) **Auditors' Certificat**e: A certificate of the Statutory Auditors of the Company i.e., M/s. A. R. Sulakhe & Co., Pune, as required under Regulation 163 (2) of the SEBI ICDR Regulations will be made available for inspection at the registered office of the Company on all working days between 10:00 a.m. to 1:00 p.m. from relevant date till i.e. last date of e-voting and shall also be placed on the website of the Company.

17) **Undertaking to re-compute the price:** The Company undertakes that if the price determined under the SEBI ICDR Regulations on the Relevant Date is required to be re-computed, then it will re-compute the price of the equity share to be allotted and the proposed allottees would be required to pay for the differential amount, if any, before the equity shares are allotted to them.

18) **Undertaking to put under lock-in till the re-computed price is paid:** The Company undertakes that if the amount payable on account of the re-computation of price if not paid within the time stipulated in the SEBI ICDR Regulations, the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottee(s).

19) **Disclosure under Schedule VI of SEBI ICDR Regulations:** Not applicable, as none from the issuer, its promoter or directors are wilful defaulters.

Section 62 (1) (c) of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, etc., such further shares shall be offered to the persons who on the date of the offer are holders of equity shares of the Company, in the manner laid down in the Section unless the members decide otherwise by passing a Special Resolution. Therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Section 62 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder and in terms of the provisions of the SEBI ICDR Regulations and other applicable provisions and the listing agreements executed by the Company with the Stock Exchanges where the Company's shares are listed.

The Board of the Company believes that the proposed preferential issue is in the best interest of the Company. The members are therefore, requested to accord their approval to the Special Resolution authorizing the Board to execute the proposed preferential issue as set out in this notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives have any concern or interest, financial or otherwise, in the proposed resolution.

ITEM NO. 2

The Special Resolution as mentioned under item no. 2 proposes to authorize the Board of Directors to issue and allot up to 21,42,857 (Twenty One Lakhs Forty Two Thousands Eight Hundreds Fifty Seven only) 9% Optionally Convertible Debenture ("OCDs/Debentures") for an aggregating amount up to INR 150000000/- (Rupees Fifteen Crores only) to JM Financial Asset Reconstruction Company Limited (hereinafter referred as "Lender") subject to necessary approvals and compliances with the applicable provisions. Disclosures/Information as required under the respective laws, rules, regulations and guidelines for Preferential Issue are as under:

Particulars of the offer including date of passing of Board Resolution: As per the provisions of Section 42, 62(1) (c), 62(3) and 71 of the Companies Act, 2013 and its rules thereunder, a Company offering or making an invitation to subscribe to 9% Optionally Convertible Debenture ("OCDs/Debentures") on a preferential allotment basis is required to obtain the prior approval of members by way of a Special resolution. Accordingly, the Board at its meeting held on August 24, 2020, subject to necessary approval(s), has approved the proposal to issue of 21,42,857 (Twenty one Lakhs Forty Two Thousand Eight Hundred Fifty Seven only) 9% Optionally Convertible Debenture ("OCDs/Debentures") for an aggregate amount up to INR 150000000/- (Rupees Fifteen Crores only) on preferential basis to JM Financial Asset Reconstruction Company Limited as mentioned in the Special Resolution under Item no. 2.

1) **The Objects of the preferential issue:** The Company has entered into restructuring scheme with the Lender, one of the lenders of the Company to restructure its loan/credit facilities and as per the terms of restructuring scheme an amount of not exceeding INR 15 crores has to be converted into 9% Optionally Convertible Debentures of the Company. Accordingly the Company will issue upto 21,42,857 (Twenty one Lakhs Forty Two Thousand Eight Hundred Fifty Seven only) 9% Optionally Convertible Debenture ("OCD") on preferential basis to the lender and an amount of loan of upto INR 150000000 (Rupees Fifteen Crores only) will be adjusted against issue of above OCDs on preferential basis to the lender. This will result in substantial reduction of loan availed from the Lender, strengthening the financial condition of the Company and to increase in net worth of the Company in case of exercising the option to convert OCDs into equity shares.

2) **The kind of securities and maximum number of shares to be issued and amount to be raised:** The Board intends to offer, issue and allot up to 21,42,857 (Twenty one Lakhs Forty Two Thousand Eight Hundred Fifty Seven only) 9% Optionally Convertible Debenture ("OCDs/Debentures") for an aggregate amount up to INR 150000000/- (Rupees Fifteen Crore only) to lender. Each such OCD may be converted at the option of lender within a time frame of not exceeding 18 months from the date of allotment into one fully paid up Equity share of INR 10/- each or shall be redeemed in such manner and on such terms and conditions as may be agreed between the Company and the Lender, time to time

3) **The price or price band at/within which the allotment is proposed:** The issue price is INR 70/- (including premium of INR 60/-) per share or the price as may be determined being not less than higher of the average price as calculated with reference to the relevant date in accordance with the regulation 164 (1) of the SEBI ICDR Regulations, whichever is higher.

   Regulation 164 of the SEBI ICDR Regulations provides that if the equity shares of the issuer have been listed on a recognised stock exchange for a period of twenty six weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:

   a. The average of the weekly high and low of the volume weighted average prices of the equity shares of the Company quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
   b. The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.

4) **Basis on which the price has been arrived at along with report of the registered valuer:** The issue price is/will be arrived at in accordance with Regulation 164 (1) of the SEBI ICDR Regulations. Hence, the report of the registered valuer to arrive at the issue price is not applicable.

5) **Relevant date with reference to which the price has been arrived at:** The Relevant Date in terms of Regulation 161 of the SEBI ICDR Regulations for determination of price is August 25, 2020, being a date which is 30 days prior to the last date specified by the Company for E-voting.

6) **Class or classes of persons to whom the allotment is proposed to be made:** The allotment is proposed to be made to existing lender/financial institution, their holding and other details are mentioned at disclosure no. 9 below.

7) **The intent/Proposal of the Promoters, Directors or Key Managerial Personnel to subscribe to the offer:** None of the promoter, directors or key managerial person of the Company are subscribing to the offer.

8) **The time within which the preferential issue shall be completed:** The Company will issue and allot OCDs to Proposed Allottee within a period of 15 (fifteen) days from the date of passing of special resolution, provided that where permission by any regulatory authority or the Central Government for allotment is pending, the period of 15 (fifteen) days shall be counted from the date of approval or permission, as the case may be.

9) The identity of the Proposed Allottees, the percentage of post issue capital that may be held by the Proposed Allottees:

Identity of the natural persons who are the ultimate beneficial owners of the OCDs proposed to be allotted and/ or who ultimately control the proposed allottees and other details are as under:

Sr. No	Identity of Proposed Allottee	Ultimate Beneficial Owner#	Category	Pre-issue		Proposed Allotment	Post Issue*		
				No. of Shares	%	No. of Shares	No. of Shares	% Before conversion of Debentures	% After conversion of Debentures
1	JM Financial Asset Reconstruct -ion Company Limited.	Details are given in Note-1	Body Corporate/ Financial Institution	Nil	--	2142857	4845559	8.73	14.64

Note-1: The proposed allottee is Financial Institution within the meaning of sub clause (ia) of clause (h) of section 2 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 and registered with the Reserve Bank of India (RBI) as Securitisation and Reconstruction Company. Further, the parent company of the proposed allottee i.e. JM Financial Limited is Listed on BSE and NSE.

** Post Issue details is given assuming full allotment of equity shares and conversion of all Debentures issued pursuant to the present preferential offer. (i.e. 2702702 Equity Shares and 2142857, 9% Optionally Convertible Debenture ("Debentures/OCDs").*

10) Material terms of Issue of OCDs: Material terms of issue of OCDs and the converted equity shares of the Company are given in the resolution mentioned at Item no. 2.

11) The change in control, if any, in the Company that would occur consequent to the preferential offer: There will be no change in control consequent to this preferential offer.

12) Number of persons to whom allotment on preferential basis has been made during the year, in terms of number of securities as well as price: Nil.

13) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer: The allotment is proposed to be made by converting the secured loan of the lender and the amounts of loan were received in cash by the Company. As per the restructuring terms of the outstanding secured loan of the Lender an amount of loan not exceeding INR 15 crores has to be converted into OCDs. The allotment of OCDs by a Company to a person in lieu of a genuine debt due towards him can be considered as allotment for consideration in cash. Hence, valuation report of the registered valuer is not required for valuation of the assets in consideration for which the equity shares are issued.

14) The Shareholding Pattern of the Company pre and post preferential issue: Pre Issue details as on August 21, 2020 being the latest practicable date prior to the approval of Board of the Company and issuance of notice to the shareholders.

Sr. No	Category	Pre issue		Post Issue*			
		No. of shares held	% of holding	Before Conversion of Debentures		After Conversion of Debentures	
				No. of shares held	% of holding	No. of shares held	% of holding
(A)	**Promoter's holding**						
1	**Indian**						
a	Individuals	8261258	29.23	8261258	26.68	8261258	24.95
b	Bodies Corporate	1000000	3.54	1000000	3.23	1000000	3.02
2	**Foreign Promoters**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
	Sub-Total (A)	**9261258**	**32.77**	**9261258**	**29.91**	**9261258**	**27.97**
(B)	**Non-Promoter's holding:**						
1	**Institutional Investors**	4795420	16.97	4794520	15.49	4794520	14.49
	JM Financial ARC	0	0.00	2702702	8.73	4845559	14.64
2	Non Institution:						
	Private Corporate Bodies	1722597	6.10	1722597	5.56	1722597	5.20
	Directors and Relatives	9575	0.03	9575	0.03	9575	0.03
	Indian Public	8244862	29.17	8244862	26.63	8244862	24.90
	Others (Including NRIs)	4226750	14.96	4226750	13.65	4226750	12.77
	Sub-Total (B)	**18999204**	**67.23**	**21701906**	**70.09**	**23844763**	**72.03**
	GRAND TOTAL	**28260462**	**100**	**30963164**	**100**	**33106021**	**100**

** Post Issue details is given assuming full allotment of equity shares and conversion of all Debentures issued pursuant to the present preferential offer. (i.e. 2702702 Equity Shares and 2142857, 9% Optionally Convertible Debenture ("Debentures/OCDs").*

15) Lock in Requirements: The securities to be allotted to Proposed Allottee pursuant to this preferential offer shall be locked in for such period as may be specified under Regulation 167 of the SEBI ICDR Regulations or any other applicable provisions and/or agreed with the lender. The entire pre-preferential allotment shareholding of the proposed allottee(s), if any, shall be under locked-in in accordance with Regulations 167 (6) of the SEBI LODR Regulations.

16) **Auditors' Certificat**e: A certificate of the Statutory Auditors of the Company i.e., M/s. A. R. Sulakhe & Co., Pune, as required under Regulation 163 (2) of the SEBI ICDR Regulations will be made available for inspection at the registered office of the Company on all working days between 10:00 a.m. to 1:00 p.m. from relevant date till September 24, 2020 i.e. last date of e-voting and shall also be placed on the website of the Company.

17) **Undertaking to re-compute the price:** The Company undertakes that if the price determined under the SEBI ICDR Regulations on the Relevant Date is required to be re-computed, then it will re-compute the price of the OCDs to be allotted and the proposed allottees would be required to pay for the differential amount, if any, before the equity shares are allotted to them.

18) **Undertaking to put under lock-in till the re-computed price is paid:** The Company undertakes that if the amount payable on account of the re-computation of price if not paid within the time stipulated in the SEBI ICDR Regulations, the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottee(s).

19) **Disclosure under Schedule VI of SEBI ICDR Regulations:** Not applicable, as none from the issuer, its promoter or directors are wilful defaulters.

Section 62 (1) (c) of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by issuing the further shares, such further shares shall be offered to the persons who on the date of the offer are holders of equity shares of the Company, in the manner laid down in said Section unless the members decide otherwise by passing a Special Resolution. The Company is proposing to issue and allot OCDs and since the OCDs vest right with the holder to convert them into equity shares and therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Section 62 (3) and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder and in terms of the provisions of the SEBI ICDR Regulations and other applicable provisions and the listing agreements executed by the Company with the Stock Exchanges where the Company's shares are listed.

The Board of the Company believes that the proposed preferential issue is in the best interest of the Company. The members are therefore, requested to accord their approval to the Special Resolution as set out at item No. 2 authorizing the Board to execute the proposed preferential issue.

None of the Directors and Key Managerial Personnel of the Company and their relatives have any concern or interest, financial or otherwise, in the proposed resolution.

ITEM NO. 3

The Special Resolution as mentioned under item no. 3 proposes to obtain the consent of the members of the Company to convert financial assistance/facilities extended / to be extended/restructured by JM Financial Asset Reconstruction Company Ltd. ("JMFARC"), Tata Motors Finance Solutions Ltd. ("TMFSL") and the Banks and financial institutions (hereinafter referred to as the "Lenders") whether the same is in the form of term loan, working capital term loan, cash credit, funded interest term loan, non-convertible debentures, optionally convertible debentures etc. into Equity Shares of the Company. Members may note that pursuant to Section 62(3) of the Companies Act, 2013, in case the company wants to convert any loan taken or Debentures issued by it into Equity Shares of the Company, the terms of the loan as well as Debentures are to be approved prior to raising of funds by way of such loan or issuance of Debentures.

To comply with the requirements of financing terms of the Lenders, the Company has been asked to pass Special Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder to enable the Lenders to convert their facilities together with the outstanding loans, interest or any other financial assistance, already availed from the lenders or being restructured or as may be availed from the lenders, from time to time, at their option, into equity shares of the Company and in the manner and such terms and conditions as specified in the financing documents as entered between the Company and the Lenders.

The proposed resolution is an enabling resolution under the provisions of the Section 62(3) and other applicable provisions of the Companies Act, 2013 in view of the fact that under the lending arrangements, the Lenders insist for inclusion of an option to convert the outstanding facility into Equity shares in the event of default under the lending arrangements with the Lenders.

Allotment of Equity Shares by the board of the Company as above requires prior approval of the Members by way of Special Resolution. The Board of the Company recommends that the proposed resolution is required to be passed to fulfill the conditions as specified/to be specified by the Lenders for extending the credit facilities to the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the resolution.

The Board commends the Special Resolution as set out at item No. 3 for approval of Members.

By Order of the Board of Directors of
Autoline Industries Limited
Sd/-
Ashish Gupta
Company Secretary & Compliance Officer
Membership No. : A16368

Pune, August 24, 2020

Registered Office: Survey No. 313, 314, 320 to 323, Nanekarwadi,
Chakan, Taluka- Khed, District- Pune 410501 / CIN: L34300PN1996PLC104510
E-mail: investorservices@autolineind.com / Tel: 02135-635865