Date [ ]

DRAFT LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR

[ ]

[ ]

Dear [ ],

We are pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors ('the Board') of NDR Auto Components Limited ('the Company'), the shareholders have approved your appointment as an independent director of the Company ('Independent Director') as envisaged under section 149 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective ……… for a period of ………..years. This letter sets out the main terms of your appointment.

1. **Appointment**
   Your appointment as an Independent Director is for a term of [ ] consecutive years commencing from [ ] to [ ] during which period you will not be subject to retirement by rotation.

2. **Board Committees**

   2.1 As advised by the Board, during the tenure of office, you may be required to serve on one or more of the committees of the Board established by the Company. Your appointment on such Committee(s) will be subject to the applicable regulations and Articles of Association of the Company.
   2.2 Currently, the Board has five Committees: Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Securities Allotment Committee.

3. **Time Commitment**

   The Board normally meets at least four times a year and holds additional meetings as the occasion requires. The Audit Committee and Stakeholders' Relationship Committee are also held four times a year. The Corporate Social Responsibility Committee and Nomination and Remuneration Committee meet two times and one time, respectively, in a year which are mandatorily required to be conducted, and the Securities Allotment Committee meets as and when requires. However, more meetings can be held as and when the need arise.

   You are expected to attend the Board, Board Committees to which you may be appointed and Shareholders' meetings. Ordinarily, all meetings are held through video conferencing and occasionally meetings are held with the physical presence of Directors in Delhi/Gurugram.

4. **Professional Conduct**

   As an Independent Director, you shall:

(a) uphold ethical standards of integrity and probity;
(b) act objectively and constructively while exercising your duties;
(c) exercise your responsibilities in a bona fide manner in the interest of the Company;
(d) devote sufficient time and attention to your professional obligations for informed and balanced decision-making;
(e) not allow any extraneous considerations that may vitiate your exercise of objective independent judgement in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgement of the Board in its decision-making;
(f) not abuse your 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 could lead to a loss of your independence;
(h) ensure that if circumstances arise under which you may lose your independence, you will immediately inform the Board accordingly, and;
(i) assist the Company in implementing the best corporate governance practices.

5. Functions, Responsibilities and Duties of Directors

5.1. Functions shall include

(a) To review the Company's strategy, the annual financial plan and monitor the Company's performance: The primary role of the members of the Board is to exercise their business judgment to act in what they believe to be the best interests of the Company and its shareholders. It is the duty of the Board to ensure that the Management performs with competence and values to achieve the objectives of the Company. Generally, the Board meets once a quarter. The quarterly meeting of the Board includes updates on the business, financial and business-enabler functions and discussions on such updates. The Audit Committee of the Board reviews the Company's financials and recommends the same to the Board for its acceptance. The Board monitors the Company's performance against its annual financial plan at its quarterly meetings as well as at the end of the financial year.

(b) To advice and counsel the Management: The Board should be composed of individuals whose knowledge, background, experience and judgment are valuable to the Company. They should also be capable of providing advice to the executive officers of the Company. Members of the Board have full access to the Management (executive officers) and other employees as well as to the Company's records and documents. The Board may also seek legal or other expert advice from a source independent of the Management.

(c) To monitor and manage potential conflicts of interests of the Management: The Audit Committee of the Board reviews and approves related party transactions, as required under the applicable laws or any of the Indian stock exchanges or any government agencies applicable to the Company.

(d) To oversee and ensure the integrity of financial information and legal compliance: The Audit Committee of the Board oversees the Company's accounting and financial reporting processes and the audit of the Company's financial statements and assists the Board in the overseeing of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications, independence and performance, and (4) the Company's internal accounting and financial controls.

5.2. **Responsibilities**

Independent Directors have the same general legal responsibilities to the Company as that of any other director. The Board, as a whole, is collectively responsible for ensuring the success of the Company by directing and supervising the Company's affairs.

The Board:

(a) provides entrepreneurial leadership of the Company within a framework of prudent and effective controls which enable risk to be assessed and managed;

(b) sets the Company's strategic aims, ensures that the necessary financial and human resource requirements are in place for the Company to meet its objectives, and reviews management performance;

(c) sets the Company's values and standards, ensures that its obligations to its shareholders and others are understood and met by the Company.

In addition to the criteria mentioned in the previous sections for the induction of directors, the role of independent directors also includes tracking, reviewing and providing feedback on:

(a) Strategy: Independent directors to constructively contribute to the development of the Company strategy;

(b) Performance: Independent directors to oversee the performance of the Management in meeting agreed goals and objectives and monitor the reporting of performance;

(c) Risk: Independent directors to evaluate and ensure that financial information is accurate, and that financial controls and systems of risk management are robust and defensible;

(d) Personnel: Independent directors responsible for determining the appropriate levels of remuneration of executive directors and the process of succession planning;

(e) Stakeholders: Independent directors to balance the conflicting interest of the stakeholders, including minority shareholders. In the event of any conflict, they shall moderate and arbitrate in the interest of the Company as a whole.

5.3 Duties

As an Independent Director, you shall:

(a) undertake the appropriate induction into the Board and regularly update and refresh your skills, knowledge and familiarity with the Company;

(b) seek appropriate clarification and, where necessary, seek and follow appropriate professional advice from external experts at the expense of the Company;

(c) strive to attend every meeting of the Board and of the Board committees of which you are a member;

(d) actively and constructively participate in the Board committees of the Board in which you may be a member or the Chairperson;

(e) strive to attend the general meetings of the Company;

(f) ensure that any concerns that you may have about the running of the Company are addressed by the Board and seek inclusion of these concerns in the Board minutes to the extent these concerns are not resolved;

(g) keep yourself well informed about the Company and the external environment in which it operates;

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

(i) ensure that related party transactions are considered carefully before they are approved and are in the interest of the Company;

(j) ensure that the whistleblower function of the Company is functioning adequately;

(k) report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics;

(l) within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees, and

(m) not disclose any confidential information unless such disclosure is expressly approved by the Board or required by law.

6. Status of Appointment and Remuneration

6.1 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 from time to time.

6.2 The sitting fees presently paid to the Non-Executive Independent Director is Rs.60,000/- per meeting of the Board or a Committee (in which you will be member) thereof.

7. Conflict of Interest

7.1 As a condition to your appointment, you are required to declare directorships, appointments and interests in other companies/firms to the Board in the prescribed form at the time of your appointment and annually thereafter whenever there is any change from the last disclosure made.

7.2 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 not later than when the transaction or arrangement comes up at a Board meeting so that the minutes may record your interest appropriately and your records are updated. A general notice that you are interested in any contracts with a particular person, firm or company is acceptable.

8. Confidentiality

All information acquired about the company during your tenure is confidential and should not be released, either during your tenure or following termination (by whatever means) to third parties without prior clearance from the Chairman unless required by law. Your attention is also drawn to the requirements under the applicable regulations and the NDR Share Trading Code which pertains to the disclosure of price sensitive information and dealing in the securities of the Company. 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 Company Secretary.

9. Evaluation

The Company has adopted a policy on Board Evaluation. 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 on the Board shall subject to the outcome of the yearly evaluation process.

10. Compliance of Code of Business Conduct & Prohibition on Insider Trading

10.1 You will abide by the Code of Business Conduct and Ethics to the extent applicable to an independent director of the Company.

10.2 You will abide by the Guidelines of professional conduct, Role, Function and Duties as an independent director as provided in Schedule IV of the Companies Act, 2013 and SEBI Regulations.

10.3 You will not hold office as a director or any other office in a competing company/ firm/ entity.

10.4 You are expected to stay updated on how best to discharge your roles, responsibilities, and duties and liabilities, as an independent director of the Company under applicable law, including keeping abreast of current changes and trends in economic, political, social, financial, legal and corporate governance practices.

10.5 You will follow the Company's "Code for Prevention of Insider Trading" on insider information and the requirement under the Companies Act, 2013 and SEBI Regulations, which inter-alia requires that price-sensitive information is not used or transmitted and maintained securely. You should not make any statements that might risk a breach of these requirements without prior clearance.

10.6 Directors are prohibited from dealing in the Company's shares during the period when the trading window is closed. Further, directors being designated officers of the Company for the purpose of insider trading guidelines, are to pre-clear all trades (buy/sell/gift) from the Company Secretary and Compliance Officer. You are required to comply with the applicable insider trading laws and regulations. You are also required to comply with the Company's Code of Business Conduct and Ethics, enclosed with this letter of appointment.

11. Changes in personal details

Any changes in address or other personal contact details e.g. e-mail id, may please be informed to the Company promptly.

12. Resignation

As per provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the event of resignation from directorship, the resignation letter should contain detailed reasons for the resignation.

13. Training/ Familiarization Programme

As per provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company shall from time to time provide you with suitable sessions to familiarize with the Company, including briefing from the management, nature of the industry in which the company operates, its factories, business model of the company, etc.

14. Miscellaneous

All the terms as mentioned above, including your appointment, remuneration, professional conduct, roles and functions, duties and evaluation shall be governed by the Companies Act, 2013 and rules made thereunder and corporate governance requirement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. It is a pleasure to have you on board. I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Best Regards
Yours Sincerely,