

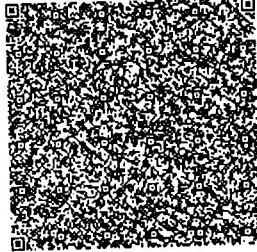


सत्यमेव जयते

INDIA NON JUDICIAL
Government of Karnataka

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Certificate No. : IN-KA91904521426026Q
Certificate Issued Date : 03-Jul-2018 02:14 PM
Account Reference : NONACC (FI)/ kaksfcl08/ HALASURU/ KA-BA
Unique Doc. Reference : SUBIN-KAKAKSFCL0825729182519949Q
Purchased by : ARVIND FASHIONS LIMITED
Description of Document : Article 12 Bond
Description : EMPLOYEE SERVICE CONTRACT AGREEMENT
Consideration Price (Rs.) : 0
(Zero)
First Party : ARVIND FASHIONS LIMITED
Second Party : SURESH JA.YARAMAN
Stamp Duty Paid By : ARVIND FASHIONS LIMITED
Stamp Duty Amount(Rs.) : 200
(Two Hundred only)



-----Please write or type below this line-----

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AGREEMENT OF MANAGING DIRECTORSHIP & CHIEF EXECUTIVE OFFICER
BETWEEN ARVIND FASHIONS LIMITED AND MR. SURESH JAYARAMAN

ARTICLES OF AGREEMENT made this 01st day of August, Two thousand Eighteen between Arvind Fashions Limited, a Company incorporated under the Companies Act, 2013 and having its Registered Office at Arvind Limited Premises, Naroda Road, Ahmedabad - 380 025 (hereinafter referred to as "the Company", which expression shall include its successors and assigns) of the One Part and Mr. Suresh Jayaraman, Indian inhabitant of S02, Magnolia, 170/5, Defence Colony, 5th Main, Indiranagar, Bangalore -560038, aged 61 years (hereinafter referred to as "the Managing Director and CEO") of the Other Part;

WHEREAS the Company had appointed Mr. Suresh Jayaraman as the Managing Director and CEO of the Company for a period starting from 1st August, 2018 to 31st July, 2021 and in pursuance thereof, the Board of Directors has, at a meeting of the Board held on the 03rd day of May, 2018, unanimously passed the resolution appointing him as the Managing Director and CEO of the Company;

AND WHEREAS at the Annual General Meeting held on 16th July, 2018, the shareholders of the Company passed the resolution appointing Mr. Suresh Jayaraman as the Managing Director and CEO of the Company and approved the terms and conditions of his appointment including remuneration payable to him pursuant to the provisions of Sections 196, 197 and 203, read with Schedule V of the Companies Act, 2013;

AND WHEREAS the Nomination and Remuneration Committee of the Directors of the Company has, at its meeting held on 25th July, 2018, approved the remuneration payable to the Managing Director and CEO and the Board of Directors of the Company has, thereafter, at its meeting held on 26th July, 2018, approved the said remuneration;

AND WHEREAS these presents are to record the terms and conditions relating to the appointment of the said Mr. Suresh Jayaraman as the Managing Director and CEO of the Company;



NOW THESE ARTICLES WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

<p>Appointment I. and powers :</p>	<p>The Company doth hereby appoint Mr. Suresh Jayaraman as the Managing Director and CEO of the Company and as such the Managing Director and CEO, he shall perform the duties and exercise the powers which have been or from time to time may be assigned to or vested in him by the Board of Directors of the Company subject to the superintendence, control and direction of the Board of Directors of the Company.</p> <p>Without prejudice to the above provisions, the following powers are conferred on the Managing Director and CEO, viz :-</p> <ol style="list-style-type: none">1. To manage the business and affairs of the Company and to exercise all the powers vested in the Board of Directors except those which are specifically required by the Companies Act, 2013 or by the Articles to be exercised only by the Board subject to any limitation or condition which may be prescribed by the Act or the Articles or the Board or by the Company in General Meeting. <p>Without prejudice to the generality of the foregoing and in enlargement thereof and not in limitation thereof, the Managing Director and CEO is vested with the powers hereinafter specifically referred to.</p> <ol style="list-style-type: none">2. To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire at such price and generally on such terms and conditions as he may think fit, and to sign necessary applications, deeds, documents, undertakings and other papers for the purpose including applications, documents, papers etc. for obtaining Electricity Supply, Telephones / Fax, Telex connections, Gas connections and internet / e-mail facilities / connections etc. for the Company.
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3. To acquire by purchase, lease or in exchange or otherwise lands, buildings, hereditaments, machinery, rights, titles, interests, benefits, privileges or properties whether movable or immovable, tangible or intangible.
4. To erect, construct, enlarge, improve, alter, maintain, pull down, rebuild or reconstruct any buildings, factories, offices, workshops, or other structures necessary or convenient for the purposes of the Company.
5. To let, mortgage, charge, sell or otherwise dispose of, subject to the provisions of Section 180 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as he may think fit and to accept payment or satisfaction for the same in cash or otherwise, as he may think fit.
6. To purchase machinery, goods and materials and to sell the products of and goods and materials belonging to the Company and whether for ready or future delivery.
7. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as he may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.
8. Subject to Section 179 of the Act, to open accounts with any Bank or Bankers or with any Company, firm or individual and to pay money into and draw money from any such accounts from

time to time as he may think fit.

9. To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as he may think fit.
10. Subject to the provisions of Section 187 of the Act, to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such Trustee or Trustees.
11. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Act to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company.
12. To refer, subject to the provisions of Section 180 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards.
13. To act on behalf of the Company in all matters relating to bankruptcy insolvency, liquidation or other proceedings in which the Company may be interested.
14. To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 180 of the Act.

15. To sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, hundies, dividend / interest warrants, releases, contracts and other documents.
16. Subject to the provisions of Sections 179, 180 and 186 of the Act, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such shares, securities or investments (not being shares in the Company) and in such manner as he may think fit, and from time to time to vary or realize such investments.
17. To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as he may think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.
18. To make advances upon or for the purchase of raw materials, goods, machinery, stores, and other articles required for the purpose of the Company upon such terms as he may deem expedient.
19. Subject to the provisions of the Act, make loans upto such total amount, for such purposes and upto the Board of Directors may prescribe such maximum amount for each such purpose as from time to time.
20. To incur from time to time such expenses and to lay out such sum or sums of money as the Managing Director and CEO may deem expedient for the office establishment of the Company, and for the purpose of working the company or manufactures or for improving the business of the Company from time to



time to erect and fix new machinery or plant on or in any of the lands, buildings and premises for the time being the property or in the possession of the Company and from time to time to remove all or any of the machinery plant and stores of the Company being in or upon any lands, buildings, and premises of the Company to other lands, buildings or premises wheresoever situate of the Company. Also to spend from time to time such sums of money as may be necessary or expedient for the purpose of improving, adding to, altering, repairing and maintaining the buildings, machinery and property for the time being of the Company.

21. Subject to such sanction as may be necessary under the Act or the Articles, to give to any Director, Officer, or other persons employed by the Company, any interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company and such interest commission or share of profits shall be treated as part of the working expenses of the Company.

22. To provide for the welfare of employees including Directors or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses or benefits or other payments or by creating and from time to time subscribing or contributing to provident and other funds, associations, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Managing Director & CEO shall think fit and subject to the provisions of Section 180 and 182 of the Act to subscribe or contribute or otherwise

to assist or guarantee money to charitable, benevolent, religious, scientific, national, public, or any other useful institutions, objects or purposes or for any exhibition.

23. To borrow from time to time subject to the provisions of the Act and subject to limitations on the powers of the Board provided by the Act, such sums of money as the Managing Director and CEO may think fit and at such interest and without or with or upon such security and upon such terms and conditions as the Managing Director and CEO may think fit provided that the amount so borrowed and outstanding at any one time shall not exceed the paid up capital of the Company or such higher sum as the Board may fix from time to time in this behalf and provided further that the amount borrowed at any one time from any one shall not exceed the paid up capital of the Company or such higher sum as the Board may fix from time to time provided further that no lender shall be concerned or bound to inquire whether the limits aforesaid have been observed or not.

24. To appoint and at his discretion to remove or suspend such managers, secretaries, officers, clerks, agents, sales representatives and servants for permanent, temporary or special services as he may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and to require security in such instances and for such amount as he may think fit.

And from time to time to provide for the Management and transaction of the affairs of the Company in any specific locality in India or outside India in such manner as he may think fit.

25. To comply with the requirements of any local law which in his opinion, it shall be in the interest of the Company, and it



shall be necessary or expedient to comply with.

26. At any time and from time to time by power of attorney to appoint any person/s to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Managing Director and CEO under these presents) and for such period and subject to such conditions as the Managing Director and CEO may from time to time think fit and any such appointment (if the Managing Director and CEO think fit) be made in favour of any company or the members, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Managing Director and CEO and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with such attorney as the Managing Director and CEO may think fit and may also authorize any such attorney to delegate all or any of the powers, authorities and discretions for the time being vested in him.
27. Subject to the provisions of the Act, generally and from time to time and at any time to authorize empower or delegate (with or without powers of sub-delegation) to any officer or officers or employees for the time being of the Company all or any of the powers, authorities and discretions for the time being vested in the Managing Director and CEO by these presents or by law or by Articles of Association of the Company, subject to such restrictions and condition, if any, as the Managing Director and CEO may think fit and proper.
28. To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things and issue Letter of Comfort to Banks /

	<p>Institutions in the name and on behalf of the Company as he may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.</p> <p>29. To convene meetings of the Board of Directors, Committees, Sub Committees of Directors, if any, and the Ordinary or Extra Ordinary Meetings of the Shareholders.</p> <p>30. Subject to provision of the Act and subject to the provisions of any Agreement at the time being in force between the Company and any person, to appoint Agents, Sub Agents, Distributors at such place and places as the Managing Director and CEO may think fit or necessary, to sell or otherwise dispose off the Company's property, articles, things or products and on such terms and conditions as the Managing Director and CEO deem fit.</p> <p>31. And generally to do all such other acts and things as are necessary, incidental or in the opinion of the Managing Director and CEO conducive to the attainments of all or any of the objects of the Company.</p> <p>32. To sign and affix Common Seal of the Company on any agreement / document executed by the Company or on behalf of the Company.</p>
Term of Office :	<p>II. The Managing Director and CEO shall hold the said Office for a period of three years from the 1st August, 2018 to 31st July, 2021.</p>
To comply with Board's Directions :	<p>III. The Managing Director and CEO shall unless prevented by ill health devote such part of his time, attention and abilities to the business of the Company as may be required by the Board of Directors and shall obey the orders from time to time of the Board of Directors of the Company and in all respects conform to and</p>



<p>Remuneration: IV</p>	<p>comply with the directions and regulations made by the Board of Directors and shall well and faithfully serve the Company and use his utmost endeavors to promote the interest thereof.</p> <p>The Managing Director and CEO shall be entitled to the following remuneration as determined by the Nomination and Remuneration Committee at its meeting held on 25th July, 2018 and approved by the Board of Directors at their meeting held on 26th July, 2018 within the overall limit to be approved by General Meeting:-</p> <p>Remuneration</p> <p>[a] Basic Salary :</p> <p>Rs. 9,70,000 (Rupees Nine Lacs and Seventy Thousand only) per month or Rs. 1,16,40,000 (Rupees One Crore Sixteen Lacs and Forty Thousand only) per annum.</p> <p>[b] Perquisites and Allowances:</p> <p>In addition to salary, the following perquisites / allowances shall be allowed to the Managing Director and CEO:</p> <p>CATEGORY – A</p> <p>(i) Other Allowances, Personal Accident Insurance and Medical expenses:</p> <p><u>HRA</u> - 50% of annual basic salary i.e. Rs. 4,85,000 per month or Rs. 58,20,000 per annum.</p> <p><u>Other Allowances</u> - 153% of annual basic salary i.e. Rs. 14,84,100 per month or Rs. 1,78,09,200 per annum.</p> <p>(ii) Club Fees:</p> <p>The Company shall reimburse club fees as per the Company's policy.</p>
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The aggregate value of perquisites for (i) to (ii) above for each year shall be computed as per the provisions of Income-tax Act, 1961. In case of benefits for which no specific rule of valuation is provided under the Income-tax Act, the perquisites value of such benefit shall be taken at actual cost.

CATEGORY – B

- (i) The Company shall contribute towards Provident Fund provided that such contributions either singly or put together shall not exceed the tax-free limit prescribed under the Income-tax Act.
- (ii) The Company shall pay Gratuity as per rules of the Company.
- (iii) Leave on full pay and allowances, as per rules of the Company, but not more than one month's leave for every eleven months of service. However, the leave accumulated but not availed of will be allowed to be encashed at the end of the term as per rules of the Company.

The above shall not be included in the computation of ceiling on remuneration or perquisites aforesaid.

CATEGORY – C

- (i) The Company shall provide car(s) at the cost of the Company for use on Company's business and the same will not be considered as perquisites.
- (ii) The Company shall provide telephone and other communication facilities to the Managing Director & CEO at the cost of the Company.

CATEGORY – D



	<p>The Managing Director & CEO shall be entitled to Performance Linked Variable Pay/Special Allowance/Role Award/Bonus/Commission on profits etc. or in any other form up to Rs. 219 lacs per annum or such other amount as the Nomination and Remuneration Committee may determine within the overall limit of remuneration under Section 197 and 198 and other applicable provisions of the Companies Act, 2013.</p>
<p>Sitting Fees : V</p>	<p>The Managing Director and CEO shall not be entitled to any sitting fees for attending meetings of the Board of Directors or Committees thereof so long as he continues as Managing Director and CEO.</p>
<p>Overall Limit : VI</p>	<p>The overall limit of remuneration payable to Directors including Managing Directors, Whole time Directors and Managers in a financial year is 11% of the net profit of the company computed in accordance with Section 198 of the companies Act, 2013. The aforesaid remuneration is subject to the limit of 10% of the annual net profit of the Company computed in accordance with Section 198 of the Companies Act, 2013.</p> <p>Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of tenure of the Managing Director & CEO, the company has no profits or its profits are inadequate, the Company will pay remuneration for a period not exceeding three years by way of salary, commission and perquisites as provided above or the maximum remuneration payable as per the limits set out in Section II of Part II of Schedule V of the Companies Act, 2013.</p>

		<p>The abovementioned remuneration may be altered, amended, varied, enhanced or modified from time to time by the Board of Directors of Company or the Nomination and Remuneration Committee as it may, in its discretion, deem fit, within the maximum amount payable to Managing and Whole time Directors in accordance with the provisions of the Companies Act, 2013, including those of Schedule V or any amendments thereto made hereafter in this regard within the overall limits approved by the Company in General Meeting.</p>
Ratable proportion :	VII	<p>If the Managing Director and CEO's employment shall cease during the currency of any financial year he or his executor or administrators shall be entitled to ratable proportion of what he would have received if he had lived and been employed for the whole of that year.</p>
Reimbursement :	VIII	<p>The Managing Director and CEO shall be entitled to reimbursement of all expenses including traveling, entertainment and other out-of-pocket expenses incurred in connection with the business of the Company.</p>
Not exclusive :	IX	<p>The Directors are at liberty from time to time to appoint any other person or persons to be Managing Directors jointly with the Managing Director and CEO. It is clarified that the appointment of any person(s) as Managing Director(s) shall not be deemed to prejudice this agreement.</p>
Resignation:	X	<p>The Managing Director and CEO shall be free to resign his office by giving three calendar months' notice in writing to the Company.</p>
Compensation :	XI	<p>If at any time the office of the Managing Director and CEO is determined before the expiry of his term of office, Managing Director and CEO shall be entitled to compensation for loss of office in accordance with and subject to the restrictions laid down in Section 202 of the Companies Act, 2013.</p>

Retirement and Rotation : XII	The Managing Director and CEO shall be liable to retire by rotation in accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company.
Arbitration: XIII	That in the event of any dispute or difference arising out of this agreement between the parties, the same shall be settled by arbitration under the Arbitration & Conciliation Act, 1996.
Jurisdiction : XIV	This agreement shall be governed and construed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the courts at Bangalore.

IN WITNESS WHEREOF the Common Seal of Arvind Fashions Limited has hereunto been affixed and the said Mr. Suresh Jayaraman, the Managing Director and CEO, has hereunto set and subscribed his hand, the day and the year first hereinabove written.

Signed, sealed and delivered by Arvind Fashions Limited and the Common Seal has been hereunto affixed in the presence of Mr. Jayesh K. Shah, Director of the Company pursuant to the Resolution of the Board of Directors passed on 03rd May, 2018.



Signed and delivered by the within named the Managing Director and CEO, Mr. Suresh Jayaraman.



In the presence of:

1. Kannan S



2. Vijay Kumar B S

