
CHAIRMAN AND MANAGING DIRECTOR AGREEMENT

DECEMBER 13, 2021

BETWEEN

CAMPUS ACTIVEWEAR LIMITED

AND

MR. HARI KRISHAN AGARWAL



he

CHAIRMAN AND MANAGING DIRECTOR AGREEMENT

This **CHAIRMAN AND MANAGING DIRECTOR AGREEMENT** (this "Agreement") is entered into on this 13th day of December, 2021

BETWEEN

CAMPUS ACTIVEWEAR LIMITED, a company incorporated under the laws of the Republic of India, with corporate identification number U74120DL2008PLC183629, and whose registered office is at D-1, Udyog Nagar, Main Rohtak Road, New Delhi-110041 (the "Company," which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);

AND

HARI KRISHAN AGARWAL, a person resident in India, aged about 65 years and currently residing at 42/42 West Punjabi Bagh, New Delhi - 110026 (hereinafter referred to as "HKA," which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, executors, administrators and legal representatives).

The Company and HKA shall collectively be referred to as, the "Parties" and, individually, as a "Party."

RECITALS

WHEREAS:

- (A) The Company is engaged in the Business (*defined below*);
- (B) HKA is a promoter and director of the Company and is currently engaged in supervising the day-to-day management and operations of the Company;
- (C) The Company had appointed HKA as the managing director of the Company (the "MD") through an agreement dated 30 August 2017 executed between the Parties ("Earlier Agreement");
- (D) The Parties have now agreed to terminate the Earlier Agreement and wish to amend the terms and conditions relating to employment of HKA as the Chairman and Managing Director (CMD) of the Company by executing this Agreement. HKA has agreed to continue rendering his services and perform his duties and obligations on the terms and conditions specified in this Agreement.
- (E) The Parties have accordingly entered into this Agreement to record the revised and restated terms and conditions of the employment of the CMD and matters incidental thereto.

NOW THEREFORE, in consideration of the mutual agreements, covenants, representations, and warranties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties hereby agree as follows:



He to

1. **DEFINITIONS AND INTERPRETATION.**

1.1 **Definitions.** For purposes of this Agreement, the following terms have the meanings specified in the indicated Clause, schedule or paragraph of the schedule of this Agreement:

"Act" means the Companies Act, 2013, as amended from time to time, read with the applicable rules, orders, circulars and notifications prescribed thereunder;

"Agreement" means this employment agreement and includes any recitals, schedules, annexes, or exhibits that may be annexed to this Agreement and any amendments made to this Agreement by all the Parties in writing;

"Anti-Corruption Laws" means the United States Foreign Corrupt Practices Act of 1977 (as amended), the United Kingdom Bribery Act 2010 (as amended), the (India) Prevention of Corruption Act, 1988 (as amended), and any other anti-corruption or anti-bribery laws and regulations applicable to the Company;

"Applicable Law(s)" means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, license, treaty, code, approval from the concerned authority, government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question, and includes the Anti-Corruption Laws, the Money-Laundering Laws and Sanctions Laws and Regulations;

"Arbitral Tribunal" shall have the meaning ascribed to it under Clause 10.2;

"Board" means the board of directors of the Company from time to time;

"Business" means the manufacturing, sale and distribution of sports & athleisure footwear undertaken by the Company;

"Business Plan" means the detailed business and financing plan for the Business prepared on an annual basis, which includes the annual budget, comprising without limitation, the profit and loss account, balance sheet and cash flow statements, projected revenues, costs, operating and capital expenditures, and financing requirements of the Company for the on-going financial year and which includes details on the amount and timing of debt financing, if any, the current and future business strategy;

"Charter Documents" means, collectively, the memorandum of association and articles of association of the Company, as amended from time to time;

"Compliance Code" means the compliance policy adopted by the Company setting out the policies and procedures reasonably designed to ensure compliance with all applicable Compliance Laws;

"Compliance Laws" shall have the meaning ascribed to it under Clause 3.1.3;

"Confidential Information" means any information, corporate data, any other material, which:
(a) by its nature or content is identifiable as confidential and / or proprietary to the Company; and /
(b) is provided or disclosed to the CMD in confidence during the Term, by the Company or any person acting on behalf of the Company or which may come to the knowledge of the CMD by any



He 10

means whatsoever. Without limitation, the term "Confidential Information" shall include the following, even if it is not marked as being "confidential", "restricted" or "proprietary" (or any similar designation):

- (a) any proposed term(s) of any license of Intellectual Property Rights or other business arrangement or any commercial agreement to be entered into by the Company with any third party, any know-how, all the Intellectual Property Rights of the Company, manufacturing scale-ups, raw material and its costs, business and product development plans, marketing plans (including market testing information or marketing ideas and concepts), current and proposed strategies (including manufacturing strategies or sales strategies) especially with respect to unannounced products and services, sales, suppliers, clients, customers (including customer requirements, customers' applications and environments), investors, other technical and business information, whether in written, graphic or electronic form, of the Company; and
- (b) the Company's Business Plan, business activities, business relationships, services, processes, staff and technical information, data and documents necessary or useful for the carrying on of the Business;

"Dispute" shall have the meaning ascribed to it under Clause 10.1;

"Final Resolution Period" shall have the meaning ascribed to it under Clause 10.1;

"Governmental Authority(ies)" means any government, quasi-government authority, ministry, statutory authority, government department, agency, commission, board, tribunal, or court or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to or purporting to have jurisdiction on behalf of or representing the Government of India, or any other relevant jurisdiction, or any state, department, local authority, municipality, district or other political subdivision or instrumentality thereof;

"Intellectual Property Rights" means all rights associated with all patents, inventions, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, copyright (including rights in computer software) and moral rights, works of authorship, database rights, semi-conductor topography rights, utility models, dossiers, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;

"Money-Laundering Laws" means all laws, regulations and sanctions of all jurisdictions (including sanctions or measures promulgated, imposed, administered or enforced by the Office of Foreign Assets Control of the U.S. Department of Treasury, Her Majesty's Treasury, the European Union, the United Nations or any other relevant sanctions authority) that: (a) limit the use of and / or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers, supporters of weapons proliferation or otherwise engaged in activities contrary to the interests of India, Singapore, the United Kingdom, the United States or other applicable countries; or (c) are designed to disrupt the flow of funds to terrorist organisations, in each case, to such extent as applicable to the Company;

"Person(s)" means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership (general or limited), limited



ke 10

liability company, joint venture, trust, society or Governmental Authority or any other entity or organization;

"Restricted Period" shall have the meaning ascribed to it under Clause 6.1;

"Resolution Meeting" shall have the meaning ascribed to it under Clause 10.1;

"Resolution Period" shall have the meaning ascribed to it under Clause 10.1;

"Rupees" means Indian Rupees, the lawful currency of the Republic of India;

"Sanctions Laws and Regulations" means all laws concerning embargoes, economic sanctions, export restrictions, the ability to make or receive international payments, the ability to engage in international transactions, or the ability to take an ownership interest in assets located in a foreign country which are administered or enforced by United States, the United Nations Security Council, the European Union, the United Kingdom, or any other jurisdiction in which the Company operates;

"Term" shall have the meaning ascribed to it under Clause 4 (Term); and

1.2 **Interpretation.** In this Agreement, unless the contrary intention appears:

1.1.1 the words "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement and not to any particular Clause, article or section of this Agreement;

1.1.2 the table of contents, headings, subheadings, titles and subtitles to Clauses are inserted for convenience only and shall not affect the construction or interpretation of this Agreement;

1.1.3 unless the context otherwise requires, words in the singular include the plural and vice versa, and a reference to any gender includes all other genders;

1.1.4 references to: (a) Clauses, Exhibits, preamble, Recitals and schedules are to clauses, exhibits, preamble, recitals and schedules, respectively, of this Agreement; and (b) Parts and Paragraphs are to parts and paragraphs of the schedules to this Agreement, in each case, all of which form an integral part of this Agreement and are included in all references to this Agreement;

1.1.5 any reference to any statute or statutory provision shall include a reference to that statute or statutory provision as amended, consolidated or replaced from time to time (whether before or after the Agreement Date), and shall include any subordinate legislation made under the relevant statute or statutory provision, whether or not amended, consolidated, or replaced from time to time;

1.1.6 the terms referred to in this Agreement shall, unless defined otherwise or inconsistent with the context or meaning thereof, bear the meanings ascribed to them under the relevant statute / legislation;

1.1.7 unless otherwise specified, references to days, months and years are to calendar days, calendar months and calendar years, respectively;

1.1.8 all approvals and / or consents to be granted by the Parties under this Agreement shall be deemed to mean prior approvals and / or consents in writing;



He _____

- 1.1.9 references to an "agreement" or "document" shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of this Agreement with respect to amendments;
- 1.1.10 any reference to "writing" shall include printing, typing, lithography or transmissions by email or facsimile and other means of reproducing words in visible form, but excluding text messaging via mobile phones;
- 1.1.11 the words "including" and "include" means including without limitation and include without limitation, respectively;
- 1.1.12 if there is any conflict or inconsistency between a term in the body of this Agreement and a term in any of the schedules or any other document referred to or otherwise incorporated into this Agreement, the term in the body of this Agreement shall take precedence, unless the relevant schedule or such other document which is referred or otherwise incorporated into this Agreement expressly provides that the term in it is to take precedence over the term in the body of this Agreement;
- 1.1.13 any reference to a Party to this Agreement shall include, in case of a body corporate, references to its successors and permitted assigns and in case of a natural person, to his or her heirs, executors and administrators, each of whom shall be bound by the provisions of this Agreement in the like manner as the Party itself is bound;
- 1.1.14 if any provision in this Clause 1 (Definitions and Interpretation) is a substantive provision conferring a right or imposing an obligation on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement;
- 1.1.15 time is of the essence in the performance of the each Party's respective obligations, and if any time period specified in this Agreement is extended, such extended time period shall also be of the essence; and
- 1.1.16 any and all payments made by any Party pursuant to any of the terms of this Agreement shall be in Rupees only.

2. EMPLOYMENT.

- 2.1 On, and subject to, the terms and conditions of this Agreement, pursuant to an approval of the nomination and remuneration committee of the Company ("NRC"), Board and the shareholders of the Company ("Shareholders") and in accordance with the Act, the Company hereby agrees to appoint HKA as the CMD, and HKA hereby agrees to be appointed by the Company as its CMD.
- 2.2 Subject to the superintendence, control and direction of the Board including its committee, the provisions of the Act and the Charter Documents (as amended from time to time), the CMD shall be vested with such powers of the management in such form and manner as the Board may decide, from time to time.
- 2.3 The CMD shall, during the Term, perform, manage and supervise such duties connected with the Company as may be entrusted to him by the Board (in accordance with the provisions of Clause 2.2 above). The CMD shall report directly to the Board.



He 

- 2.4 The CMD acknowledges that the Board reserves the right to modify any of the duties, functions and powers delegated to the CMD under this Agreement.

3. **DUTIES.**

- 3.1 During the Term, the CMD shall:

3.1.1 devote his best efforts and his full business time, business judgment, skill, knowledge and attention to advancing the Business and affairs of the Company and shall perform such services and duties as are incidental to such position, and as the Board shall reasonably determine;

3.1.2 on approval of the Business Plan by the Board, conduct the operations of the Company in accordance with the approved terms of such Business Plan and make all endeavours to implement the Business Plan; and

3.1.3 comply with the Anti-Corruption Laws, the Money-Laundering Laws and Sanctions Laws and Regulations (collectively, the "**Compliance Laws**") and the provisions of the Compliance Code.

4. **TERM.**

Subject to Clause 2.1 and Applicable Laws, this Agreement shall commence on 10th December 2021 (the **Agreement Date**) and shall be in effect for a period of 3 (three) years from the Agreement Date (the "**Term**"). Upon the expiry of the Term, the Company may, subject to Applicable Laws, renew this Agreement on mutually agreed terms and conditions (including in relation to compensation and benefits of the CMD) between the Parties.

5. **COMPENSATION AND BENEFITS.**

In consideration of the due and faithful performance, discharge and execution of his duties and responsibilities, on complying with the terms set forth in this Agreement and subject to Applicable Laws, the Company shall provide the CMD, and the CMD shall be entitled to receive, during the Term, such compensation and benefits determined and approved by the NRC, the Board and Shareholders, as the case may be.

6. **NON-COMPETE.**

- 6.1 The CMD undertakes, agrees and covenants with the Company that, from the Agreement Date until the later of: (a) 2 (two) years after the expiry of the Term; or (b) 2 (two) years after he ceases to be a promoter (the "**Restricted Period**"), he shall not solicit, invest, participate or engage in establishing, developing or carrying on any business similar to, or in competition with, the Business, save and except as the: (a) direct holder of not more than 10% (ten percent) of the shares carrying unrestricted voting rights in any company whose shares are listed on Bombay Stock Exchange Limited, the National Stock Exchange Limited, or any other recognised stock exchange in India or abroad, which is in competition with the Business; or (b) holder of investments in mutual funds.



He

7. **CONFIDENTIALITY.**

7.1 The CMD agrees, undertakes and covenants that, at all times during the Term, and at any time thereafter, the CMD shall maintain Confidential Information in confidence and not disclose Confidential Information to any Person, except as this Clause 7 (Confidentiality) permits, and shall:

7.1.1 use the Confidential Information only for the purpose of his employment responsibilities with the Company, and for the purpose for which it is disclosed; and

7.1.2 treat and safeguard the Confidential Information as strictly private and confidential.

7.2 Clause 7.1 shall not prevent the disclosure of Confidential Information by the CMD:

7.2.1 if such disclosure is required by any Governmental Authority pursuant to Applicable Law having applicable jurisdiction to which the CMD is subject;

7.2.2 if such disclosure is of Confidential Information which was lawfully in the possession of the CMD (in either case as evidenced by written records) without any obligation of secrecy prior to it being received or held;

7.2.3 if such disclosure is of Confidential Information which has, previously become publicly available, other than through a breach of the CMD's confidentiality undertakings; or

7.2.4 if such disclosure is required for the purpose of any arbitral or judicial proceedings arising out of this Agreement.

8. **SURVIVAL.**

8.1 The provisions of Clauses 1 (Definitions and Interpretation), 6 (Non-Compete), 7 (Confidentiality), 8 (Survival), 9 (Governing Law), 10 (Dispute Resolution) and 11.2 (Notices) shall survive the termination of this Agreement indefinitely or for such period as expressly set forth in such provisions.

9. **GOVERNING LAW.**

This Agreement shall be governed and interpreted by, and construed in accordance with, the laws of India.

10. **DISPUTE RESOLUTION.**

10.1 The Parties agree to negotiate in good faith to resolve a dispute, controversy, claim or disagreement of any kind arising out of or in connection with this Agreement, including any dispute regarding its existence, validity or termination ("Dispute"). If the negotiations do not resolve the Dispute to the reasonable satisfaction of the Parties within 15 (fifteen) days (the "Resolution Period"), then each disputing Party shall nominate a Person (being a senior decision maker) as its representative. These representatives shall at a meeting (the "Resolution Meeting,") which shall be held on the earlier of: (a) 10 (ten) days from the end of the Resolution Period; or (b) 15 (fifteen) days of a written request by any Party to call a Resolution Meeting (the "Final Resolution Period,") meet in person and alone (except for one assistant for each Party) and shall



ke 10

attempt in good faith to resolve the Dispute during the Resolution Meeting in the Final Resolution Period.

- 10.2 If a Party fails to nominate a representative before the end of the Final Resolution Period or, if the Dispute cannot be resolved by such Persons in the Resolution Meeting before the end of the Final Resolution Period, the Dispute, shall be referred to and finally resolved through arbitration by an arbitral tribunal consisting of 3 (three) arbitrator(s) (the "Arbitral Tribunal") in accordance with the (Indian) Arbitration and Conciliation Act, 1996. The claimant(s) shall nominate 1 (one) arbitrator and the respondent(s) shall nominate 1 (one) arbitrator. The 2 (two) arbitrators so nominated shall, jointly, nominate the third arbitrator within 30 (thirty) calendar days of their appointment. The third arbitrator shall act as the presiding arbitrator of the Arbitral Tribunal.
- 10.3 The decision of the Arbitral Tribunal shall be final and binding on the Parties. The arbitration proceedings shall be in English language. The seat of arbitration and the venue shall be New Delhi.
- 10.4 By agreeing to arbitration, the Parties do not intend to deprive any court of competent jurisdiction of its ability to issue any form of provisional remedy, including a preliminary injunction or attachment in aid of the arbitration, or order any interim or conservatory measure. A request for such provisional remedy or interim or conservatory measure by a Party to a court shall not be deemed a waiver of this agreement to arbitrate. The Parties expressly agree and confirm that the Parties shall be entitled to seek interim reliefs from the courts at New Delhi, India.
- 10.5 The Parties shall maintain strict confidentiality with respect to all aspects of the arbitration and shall not disclose the fact, conduct or outcome of the arbitration to any non-parties or non-participants, except to the extent required by Applicable Law, court order or to the extent necessary to recognise, confirm or enforce the final award in the arbitration, without the prior written consent of all parties to the arbitration.
11. MISCELLANEOUS.
- 11.1 Amendments. No amendment to this Agreement shall be binding on the Parties unless such amendment or alteration is in writing and is signed by the Parties.
- 11.2 Notices.
- 11.2.1 *Service of Notice.* All notices or other communications to be given under this Agreement shall be made in writing and by letter, fax or email (save as otherwise stated) in the English language and shall be deemed to be duly given or made: (a) in the case of personal delivery, at the time that its receipt is signed for, whether or not the person signing for such receipt has authority to do so; (b) in the case of fax transmission, at the time that a transmission report is generated by the sender's fax machine confirming that all pages were successfully transmitted to the relevant number specified in Clause 11.2.2; and (c) in the case of email transmission, at the time the e-mail is sent provided no notification is received by the sender that the e-mail is undeliverable.

- 11.2.2 *Details for Notices.* The details for notices for the purpose of Clause 11.2.1 are as follows:

If to HKA:



ke ———

Address : D-1, Udyog Nagar, Main Rohtak Road, New Delhi -110041
Attention : Hari Krishan Agarwal
Email : chairman@campusshoes.com

If to the Company:

Address : D-1, Udyog Nagar, Main Rohtak Road, New Delhi -110041
Attention : Archana Maini
Email : compliance@campusshoes.com

11.2.3 Change of Address. A Party may change or supplement the notice details given above, or designate additional notice details, for purposes of this Clause 11.2 (Notices), by giving the other Party written notice of the new notice details in the manner set forth above.

11.3 Severability. If for any reason whatsoever, any provision of this Agreement is, or becomes, or is declared by a court of competent jurisdiction to be, invalid, illegal or unenforceable, then: (a) such invalidity, illegality or unenforceability shall not affect any other part of this Agreement; and (b) the Parties shall negotiate in good faith, to agree on new provisions to substitute such provisions, which new provisions shall, as nearly as practicable, leave the Parties in the same position to that which prevailed prior to such invalidity, illegality or unenforceability.

11.4 Costs and Expenses. All stamp duty and registration costs in connection with the execution of this Agreement shall be borne by the Company. The Parties agree that each Party shall bear and pay their own costs and expenses incurred in connection to the preparation, negotiation and execution of this Agreement.

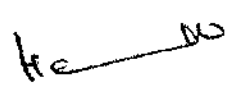
11.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which will constitute one and the same instrument. The delivery of signed counterparts by facsimile transmission or electronic mail in "portable document format" ("pdf") shall be as effective as signing and delivering the counterpart in person.

11.6 Waiver.

11.6.1 No waiver of any right under this Agreement shall be effective, unless in writing and signed by the Party against whom such waiver is to be effective. Unless expressly stated otherwise, a waiver shall be effective only in the circumstances for which it is given. No failure or delay by the Parties in exercising any right or remedy provided by Applicable Laws or pursuant to this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time, and no single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy. Neither the waiver by any of the Parties of a breach of or a default under any of the provisions of this Agreement or the failure by any of the Parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder.

11.6.2 Notwithstanding anything contained in this Agreement, the rights, powers, privileges and remedies herein provided are independent, cumulative, may be exercised as often as such Party considers appropriate and are in addition to (and not substitution of) and without



He 

prejudice to all its other rights, powers, privileges and remedies under Applicable Laws or otherwise.

- 11.7 **Absence of Third Party Rights.** No provision of this Agreement is intended, or will be interpreted, to provide any right to, or to be enforceable by, any Person who is not a party to this Agreement, and all provisions hereof will be personal and solely among the Parties.
- 11.8 **Entire Agreement.** This Agreement constitutes and contains the entire agreement and understanding among the Parties with respect to the subject matter hereof and supersedes all previous communications, negotiations, commitments, either oral or written among the Parties in respect of the subject matter hereof.

[FOLLOWING THIS PAGE IS THE EXECUTION PAGE]



he to

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO
BE DULY EXECUTED AND DELIVERED BY THEIR DULY AUTHORISED
REPRESENTATIVES AS OF THE DAY AND YEAR HEREINABOVE WRITTEN.

Signed and delivered for and on behalf of

Campus Activewear Limited

By: 

Title:



Signed and delivered by
H.K. Agarwal

