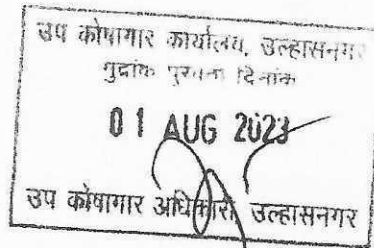




महाराष्ट्र MAHARASHTRA

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1/8/2023

CONTRACT OF SERVICE
(for Managing Director)

This Agreement is made on 27th day September of 2023 by and between:

PATEL RETAIL LIMITED, a company incorporated under the Companies Act, 1956, having its registered office at Plot No. M-2, Udyog Bhavan No.5, Anand Nagar, M.I.D.C, Ambarnath, Thane – 421 506, Maharashtra, India (hereinafter referred to as “**Company**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and assigns) of **ONE PART**

AND

MR. DHANJI RAGHAVJI PATEL, aged about 56 years, Indian inhabitant, residing at Plot No. 111, Flat No. 1, Akshardham, Kansai Section Road, Near Chaudhary Hospital, Ambarnath, Thane- 421 501, Maharashtra, India (hereinafter referred to as “**Mr. Patel**” / “**Managing Director**”) of the **SECOND PART**.

(The Company and Mr. Patel are collectively referred to as “**Parties**” and individually as “**Party**”)

Encl. 11/8/23



WHEREAS:

- A) The Company is engaged in and carrying on the business of retail departmental stores, trading and food processing ("**Business**");
- B) The Company, is desirous of appointing a fit and proper person as the Managing Director of the Company to be designated as "*Chairman and Managing Director*";
- C) The appointment of Mr. Patel as Whole-time Director and Key Managerial Personnel ("**KMP**") of the Company as defined in section 2(51) read with section 203 of the Companies Act, 2013 ("**Act**") has been approved by the Board of Directors ("**Board**") in its meeting held on 27th September, 2023, subject to the approval of the shareholders of the Company for a period of five (5) years w.e.f. 27th September, 2023, not liable to retire by rotation;
- D) Mr. Patel has, for the past many years served the Company as its Director in whole time capacity;
- E) At the request of Mr. Patel and subject to overall supervision and control of the Board, the Company has agreed to enter into a fresh contract of service with Mr. Patel;
- F) Accordingly, at a meeting of the Board held on the 27th September, 2023, subject to and in accordance with the applicable provisions of the Act and/or any statutory modification or re-enactment thereof from time to time in force, the Company has approved draft of this Agreement to be entered into between the Company and Mr. Patel;
- G) Mr. Patel shall, subject to the supervision, control and direction of the Board and, in accordance with the policies framed and the decisions taken by the Board be vested with substantial powers of management and shall be responsible for the conduct of the day-to-day Business activities and operations of the Company; and
- H) The Parties hereto are desirous of entering into an Agreement being these presents to set out the terms and conditions of appointment and payment of remuneration to Mr. Patel as hereinafter contained.

NOW THEREFORE THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. APPOINTMENT

Subject to and in accordance with the applicable provisions, if any, of the Act and the Rules made thereunder and/or any statutory modification or re-enactment thereof from time to time in force, the Company hereby appoints Mr. Patel as the Managing Director of the Company to be designated as "*Chairman and Managing Director*" and Mr. Patel shall serve the Company as such in the whole-time employment capacity as KMP for a period of five (5) years, not liable to retire by rotation, as of and on and with effect from the 27th September, 2023, subject to the employment being determined under and pursuant to the provisions of this Agreement and depending on the terms and conditions hereinafter appearing.

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2. WHOLE-TIME EMPLOYMENT

During the continuance of this Agreement, Mr. Patel shall, subject to his existing commitments, as on the date of this Agreement and except during the period of his leave as hereinafter provided or when he shall be indisposed by sickness, ill-health or incapacitating accident or when he has obtained the prior written consent in that behalf of the Company, devote his whole time and attention to the Business and affairs of the Company as KMP and shall utilize his best endeavours in promoting the interests thereof and shall, except as aforesaid, attend his place of employment at all proper times during the usual and customary working hours of the Company.

3. WARRANTY AS TO NON-BREACH OF OTHER CONTRACTS

3.1. Mr. Patel:

- (i) warrants that by virtue of entering into this Agreement and/or any other Agreements or contracts or arrangements made or to be made with the Company, he will not be in breach of any express or implied terms of any contract or of any other obligation binding on him; and
- (ii) agrees and acknowledges that if the warranty in sub-clause (i) is not true and accurate, the Company shall be entitled to terminate his employment in writing without notice or payment in lieu of notice and that he shall have no cause of action against the Company arising out of such termination.

4. SUBSTANTIAL POWERS OF MANAGEMENT

Mr. Patel shall, subject to the supervision, control, directions and restrictions of the Board, be vested with substantial powers of management and shall be responsible for the conduct of the Business activities and operations of the Company, subject to the relevant provisions of the Act.

5. DELEGATION OF POWERS AND DUTIES

Without prejudice to the provisions of clause 4 of this Agreement, Mr. Patel shall exercise and perform such powers and duties as the Board may from time to time determine and delegate to Mr. Patel, subject to the provisions of the Act and the rules made thereunder including the powers and duties as contained in "Annexure A" to this Agreement.

6. RULES AND REGULATIONS

Mr. Patel shall comply with all the policies, rules and regulations of the Company from time to time in force.

7. COVENANTS BY MR. PATEL

Mr. Patel shall:

- (i) report to the Board;

Signature 

- (ii) faithfully and diligently perform such duties and exercise such powers consistent with his position as may from time to time be assigned to or vested in him by the Board;
- (iii) render his services under this Agreement in a professional manner, in willing co-operation with others;
- (iv) use his utmost endeavors to promote the interests of the Company;
- (v) at all times give to the Company such explanations, information and assistance as it may require in connection with its Business;
- (vi) not become interested or otherwise concerned directly or indirectly in any contract with the Company, as contemplated under the Act without receiving the requisite statutory approvals;
- (vii) comply with all the directions of the Board and the policies, rules and regulations of the Company from time to time in force; and
- (viii) be one of the joint signatories in all the bank accounts of the Company.

8. PLACE OF EMPLOYMENT AND TRAVEL

- 8.1 Mr. Patel's principal place of work will be at the Company's registered office at Ambernath, Thane or at such other place as the Company may reasonably require from time to time.
- 8.2 Mr. Patel may be required to perform his duties at or from any of the offices of the Company or at such other location within the Republic of India as the Board may reasonably direct.
- 8.3 Mr. Patel will undertake such travel within India and overseas as may be necessary for the proper performance of his duties.

9. REMUNERATION

In consideration of the due performance of his duties and obligations as the Managing Director in the whole-time employment capacity of the Company, the Company shall, subject to the ceiling limits laid down under sections 196, 197, 198, 203 read with Schedule V of the Act, pay and provide to Mr. Patel the following remuneration:

(a) Salary and allowances

Basic salary and various allowances, as may be determined by the Company from time to time, together at the rate of Rs. 6,25,000/- (Rupees Six Lakhs Twenty Five Thousand only) per month or Rs. 75,00,000/- (Rupees Seventy Five Lakhs only) per annum, together with such annual increments therein as may be determined by the Board in that behalf.

(b) Perquisites

Accommodation (furnished or otherwise) together with utilities such as gas, electricity, water, furnishings and repairs; servants allowance or house rent allowance and house maintenance allowance in lieu thereof, education allowance for dependent children, entertainment and newspaper and periodicals allowance, medical reimbursement, leave travel concession for himself and his family, club

Signature



fees, medical insurance etc., in accordance with the rules of the Company or as agreed by the Board. The total value of such perquisites to be restricted to an amount equivalent to his annual salary.

(c) Retirement benefits

Company's contribution to provident fund and superannuation or annuity fund, to the extent these either singly or together are not taxable under the Income-tax Act. Gratuity payable as per the rules of the tenure, value of these benefits shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

(d) Use of car and telephone

Provision of Company's car and driver for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for purpose of calculating the said ceiling.

(e) Leave

Privilege leave, sick leave and casual leave on full pay and allowance, in accordance with the rules of the Company.

(f) Sitting fees

Mr. Patel, so long as he functions as the Managing Director of the Company, shall not be paid any sitting fees for attending the meetings of the Board or committee thereof from the date of his appointment.

(g) Severance pay

The Company agrees to pay to Mr. Patel an amount equal to 3 months' salary upon termination of his employment with the Company but the same cannot be paid in the event Mr. Patel terminates his employment within five (5) years from the date of this Agreement.

10. MINIMUM REMUNERATION

10.1 Subject to and in accordance with the applicable provisions, if any, of the Act, and/or any statutory modification or re-enactment thereof from time to time in force, if during his tenure, the Company has no profits or the profits are inadequate, the Company shall pay Mr. Patel remuneration as determined from time to time by the NRC or the Board pursuant to the authority vested in them, subject to compliance with the applicable provisions of Schedule V to the Act and that such remuneration shall be treated as the minimum remuneration payable to Mr. Patel in accordance with the provisions of sections 196, 197, 203 and other applicable provisions of the Act and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of

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the Act.

- 10.2 Subject to Clause 10.1 hereinabove, the Board may, at its discretion, fix and revise, from time to time, the actual remuneration of Mr. Patel within the ceilings stipulated under this Agreement and alter / vary / modify / amend from time to time the terms and conditions of this appointment and remuneration and/or this Agreement in such manner as may be agreed to between the Board and Mr. Patel, provided that such alteration / variation / modification / amendment is in conformity with the applicable provisions of the Act, as amended from time to time.

11. NON- COMPETE

Mr. Patel shall not, during the period of his employment and without the previous consent in writing of the Board, engage or indulge himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or in any undertaking or business of a nature similar to or competing with the Company's Business and further, shall not, in any manner, whether directly or indirectly use, apply or utilize his knowledge or experience for or in the interest of any such person, firm company, or body corporate as aforesaid or any such competing undertaking or business as aforesaid.

12. CONFIDENTIALITY

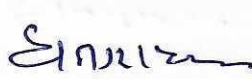

Mr. Patel shall not during the continuance of his employment or at any time thereafter, divulge or disclose to any person whomsoever or make any use whatever for his own or for any other purpose any confidential information, knowledge or data disclosed or made available to him and/or obtained by him and/or to which he has access during his employment under, pursuant to or by virtue of this Agreement, directly or indirectly, relating to the Business, activities or operations or affairs or any secret or proprietary know-how, information, data, trade secrets and the like of the Company or of any subsidiary or associate or affiliated company or corporations of the Company and Mr. Patel shall use his best endeavours to prevent any other person from doing so.

13. DISCOVERIES AND INVENTIONS

Mr. Patel hereby agrees that during the course of his employment, certain trade secrets of the Company may be disclosed to him; the trade secrets consisting but not necessarily limited to technical information and Business information. Such trade secrets shall not be disclosed by him during his tenure as Managing Director of the Company.

14. TERMINATION

- 14.1 Without prejudice to the provisions of the Act, the Company shall be entitled to terminate the employment of Mr. Patel forthwith by giving a notice in writing to Mr. Patel, if Mr. Patel shall-
- (i) commit a breach or be in default of any of the terms and conditions of this Agreement and/or applicable rules and regulations of the Company;
 - (ii) commit an act of insolvency or being adjudged an insolvent or make any compromise or arrangement with his creditors.

- 14.2 Either Party at their own volition, would be entitled to terminate this Agreement only after giving 90 days' notice in writing to the other Party, with detailed reasons. On the expiry of the period of such notice, this Agreement shall stand terminated.

15. EFFECT OF TERMINATION

Upon the termination of Mr. Patel's services with the Company by either Party hereto for whatever cause or reason, Mr. Patel shall handover his charge to such person nominated by the Company in that behalf and shall deliver to such person all such articles, effects or belongings of the Company which may be in his possession or under his control, including all diaries, notes, books, correspondence and other things whatsoever without making any copies thereof or extracts therefrom.

16. ASSIGNMENT

This Agreement and the rights and liabilities hereunder of the Parties hereto shall bind and inure to the benefit of the Company's successors and assigns, but neither this Agreement nor the rights and benefits and liabilities duties and obligations of Mr. Patel shall be assignable or transferable, either in whole or in part, without the prior written consent of the Company in that behalf.

17. WAIVER

If at any time any Party hereto shall waive its right(s) due to breach of any of the provisions of this Agreement, such waiver shall not be construed as a continuing waiver of other breaches of the same or other provisions of this Agreement and none of the terms of this Agreement shall be held to have been waived or altered unless such waiver or alterations is in writing and is signed by the Parties hereto.

18. RIGHTS AND LIABILITIES

All rights and remedies of the Parties hereto or of either of them hereunder shall be in addition to all other legal rights and remedies belonging to such Parties and the same shall be deemed to be cumulative and not alternative to such legal rights and remedies aforesaid, and it is hereby expressly agreed and declared by and between the Parties hereto that the determination of this Agreement for any cause whatever shall be without prejudice to any and all rights and claims of either Party hereto hereunder which shall or may have accrued prior thereto.

19. ENTIRE AGREEMENT

- 19.1 This Agreement sets forth the entire understanding of the Parties with respect to the subject matter thereof and supersedes all prior agreements between them and relating thereto.
- 19.2 Notwithstanding anything contained in the preceding sub-clause, Mr. Patel shall also be bound by the Memorandum and Articles of Association of the Company and the Act and any modifications or re-enactment thereof.

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20. MEMBERS' APPROVAL

The appointment of Mr. Patel may be subject to the approval of the members of the Company in a general meeting, and on such approval with or without modifications, this Agreement will be deemed to be binding on the Parties hereto from the date hereof, subject to such modifications, if any, made by the members of the Company.

21. PROPER LAW AND JURISDICTION

This Agreement is made in Ambernath, in the state of Maharashtra and shall be governed and construed in accordance with the laws of India. Any dispute or difference at any time arising between the Parties hereto as to the construction, meaning or effect hereof or as to any clause, matter or thing herein contained or as to the rights and liabilities of the Parties aforesaid hereunder and all suits, proceedings and the like in that behalf shall be instituted in courts of competent jurisdiction in Maharashtra which shall have exclusive jurisdiction in the matter.

22. NOTICES

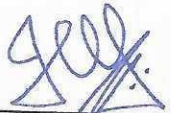


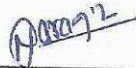
All consents and notices required to be given or served hereunder by either Party hereto to the other shall be deemed to have been duly given or served, if the same shall have been delivered to, left at, or sent by registered post by either Party to the other at its Registered Office or the last known address, as the case may be: Provided, always that either Party aforesaid shall have the right to inform the other of any other address at which such approvals, consent and notices shall be received by it and the same shall be deemed to have been duly given or served if the same shall have been delivered to, left at, or sent by registered post to such Party at, such other address.

(SIGNATURE PAGE FOLLOWS)

[Handwritten signature]



IN WITNESS WHEREOF the Parties hereto have executed these presents the day and year first hereinabove written.

<p>For and on behalf of Patel Retail Limited</p> <p></p> <p>_____ Mr. Hiren Béchar Patel Director DIN:01375968</p>	<p>Witness 1</p> <p></p>
<p>Signed by</p> <p></p> <p>_____ Mr. Dhanji Raghavji Patel Director DIN: 01376164</p>	<p>Witness 2</p> <p></p> <p>_____</p>

ANNEXURE A
(See Clause 5)

(Powers & Duties of the Managing Director)

- (i) To appoint, employ, remunerate, suspend, discharge, dismiss, re-employ, re-dismiss, replace, transfer and accept resignation of managers, secretaries, accountants, agents, organisers, experts, advisors, officers, permanent or temporary staff of the Company required for carrying on the Company's Business;
- (ii) To incur from time to time, such expenses and to spend such sums of money as the Managing Director may deem expedient for the office of the Company;
- (iii) Together with other authorised officer(s) of the Company, to borrow moneys with or without security, but not exceeding ₹1 crore at a time from one party;
- (iv) To incur capital expenditure up to a sum of ₹3 crore during any financial year;
- (v) Together with other authorised officer(s) of the company, to invest funds of the Company in approved securities (other than in shares of other companies) and on fixed deposit with the Company's bankers provided that such investments in any one financial year shall not exceed ₹1 crore;
- (vi) To determine the powers and duties of the officers and clerks and other staff of the Company, their functions, salary, allowances (if any), including travelling expenses;
- (vii) Together with other authorised officer(s) of the Company, to enter into contracts for the purchase of goods and hiring of services for the Company which contracts do not extend over a period of one year or exceed the sum of ₹3 crore in value;
- (viii) To institute, conduct, defend, compound, refer to arbitration, abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compromise and allow time for payment or satisfaction of debts, calls, demands by or against the Company;
- (ix) To ensure that all taxes due to the Central and State Governments and Municipal authorities are paid promptly;
- (x) To file all necessary documents, returns, forms, applications, statements under various acts and rules, Central or State (including but not limited to Companies Act, 2013, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, etc.) for the time being in force, with any other governmental or other authorities;
- (xi) To make all types of applications to the government or local authorities for various permissions and sanctions including import license;
- (xii) To delegate such of his powers as can be delegated, to any executives / officers / employees of the Company and subject to such limits as he may deem fit;
- (xiii) And generally, subject to the provisions of the Act, to do all acts, deeds and things as may be necessary in relation to the foregoing, incidental or in the opinion of the Managing Director conducive to attainment of all or any objects of the Company and as may be delegated to him by the Board.

