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INDIA NON JUDICIAL

Government of Punjab

e-Stamp

Certificate No. : IN-PB70422248049012V
 Certificate Issued Date : 13-Feb-2023 10:42 AM
 Certificate Issued By : pbsrjkaru
 Account Reference : NEWIMPACC (SV)/ pb7109804/ LUDHIANA/ PB-LD
 Unique Doc. Reference : SUBIN-PBPB710980441972737542028V
 Purchased by : ANIL KUMAR SHARMA 9034 9461 2101
 Description of Document : Article 5 Agreement or Memorandum of an Agreement
 Property Description : NA
 Area of Property : Not Applicable
 Consideration Price (Rs.) : 0
 (Zero)
 First Party : SPORTKING INDIA LTD ETC
 Second Party : Not Applicable
 Stamp Duty Paid By : SPORTKING INDIA LTD ETC
 Stamp Duty Amount(Rs.) : 300
 (Three Hundred only)



THIS STAMP PAPER FORMS AN INTEGRAL PART OF ESCROW AGREEMENT DATED 13/02/2023 BETWEEN SPORTKING INDIA LIMITED AND YES BANK LIMITED AND MASTER CAPITAL SERVICES LIMITED

SPORTKING INDIA LIMITED



For SPORTKING INDIA LIMITED

[Signature]
Director



[Signature]
Director

SPORTKING INDIA LIMITED



JD 0039333334

[Signature]

Director

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement") is made on 13th Feb, 2023
BETWEEN:



Sportking India Limited, a Company incorporated under the laws of India having its registered office at Vill. Kanech Near Sahnawal, G.T. Road, Ludhiana-141120 (hereinafter referred to as 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

Master Capital Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at A-852-A, Basement, Sushant Lok, Phase - I, Gurugram, Haryana - 122 002, (hereinafter referred to as the "Manager" which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their respective successors and permitted assigns);

AND

YES Bank Limited, a public company within the meaning of the Companies Act, 1956 (1 of 1956) and licensed under the Banking Regulation Act, 1948, and having its registered office, at YES Bank Limited, YES Bank House, 5th Floor Off Western Express highway, Santacruz East, Mumbai - 400055, India, and acting for the purposes of this Agreement, through its branch at Mumbai, India (hereinafter referred to as the "Escrow Agent" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns).

The Company, the Manager and the Escrow Agent are hereinafter referred together as the "Parties" and each individually as a "Party."

WHEREAS:

- (A) The Company has given an Offer (the "Offer") to the shareholders of the Company for buy-back of up to 5,80,000 equity shares of face value of Rs10/- each of the Company (the "Buy-Back") at a price of Rs. 950/- per share payable in cash aggregating to Rs. 55,10,00,000.00 (Rupees Fifty Five Crore Ten Lakh only) ("Consideration") to be conducted through a Tender Offer on a proportionate basis in accordance with the provisions of the Companies Act, 2013 (the "Act") and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (the "Buy-back Regulations" / "SEBI Regulations").
- (B) The Board of Directors of the Company has approved the Offer for Buy-Back at their meeting held on January 28, 2023. The funds permissible to be deployed for Buyback shall not exceed 10% of fully paid-up equity share capital and free reserves (including securities premium) of the Company under the Board approval route, as provided under the proviso to Section 68(2)(b) of the Act.
- (C) The Board of Directors consents and approves the buyback of 5,80,000 fully paid-up equity shares of face value of ₹10/- each of the Company payable in cash for an aggregate amount of up to ₹ 55,10,00,000/- (excluding Company's transaction cost

For SPORTKING INDIA LIMITED <i>[Signature]</i>	Manager <i>[Signature]</i>	Escrow Agent <i>[Signature]</i>
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viz. fees, brokerage, applicable taxes such as securities transaction tax, buy back tax, goods and service tax, stamp duty, advisors fees, printing and dispatch expenses and other incidental and related expenses, herein after referred to as "Transaction Cost") ("Buyback Size"), which is 8.01% of the fully paid-up equity share capital and free reserves as per the latest available audited financials of the Company for the financial year ended March 31, 2022 which is not exceeding 10% of the aggregate of the fully paid-up equity share capital and free reserves as per the audited financial statements for the financial year ended 31st March 2022 of the Company under the Board Approval route, as provided under the proviso to Section 68(2)(b) of the Companies Act, 2013, through the "Tender Offer" method as prescribed under the Buyback Regulations on a proportionate basis, from all the existing shareholders/beneficiary owners of the Company, including the promoter and promoter group, holding fully paid-up equity shares of the Company

- (D) The Company will file the draft Letter of Offer with the Securities and Exchange Board of India ("SEBI").
- (E) The Company and the Manager signed and agreed upon a Letter of Engagement, dated January 28, 2023 issued by the Company and duly accepted by the Manager (the "LoE").
- (F) Accordingly, in order to safeguard the interest of the shareholders and to enable the payment of consideration for the shares accepted under the Offer, the Company hereby appoints Yes Bank Limited as an escrow agent on the terms set out in this Agreement and the Escrow Agent has agreed to such appointment on the terms and conditions contained hereinafter

THE PARTIES HERETO AGREE as follows:

1. DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this Agreement:

1. **Authorised Representatives** shall mean the persons being the authorised personnel of the Company and the Manager as changed from time to time in accordance with this Agreement;
2. **Business Day** shall mean a day (excluding Non-Working Saturdays and Sundays) on which banks generally are open in Mumbai for transaction of normal banking business;
3. **Buy-Back Regulations / SEBI Regulations** shall mean the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 as amended from time to time.

<p>SPORTKING INDIA LIMITED Company</p>	<p>Manager</p>	<p>Escrow Agent</p>
		




4. **Escrow Cash Account** shall mean the interest bearing, escrow bank account in the name and title of "Sportking India Limited Buyback Escrow A/c" with YES Bank Limited as the Escrow Agent;
5. **Escrow Amount** shall mean the amount deposited by the Company into the Escrow Cash Account amounting accordance with the terms of Buy-Back Regulations;
6. **Law** includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court or recognised stock exchange in India and, if applicable, international treaties and regulations;
7. **SEBI** shall mean the Securities and Exchange Board of India.
8. **Special Account** shall mean the non-interest bearing bank account to be opened by the Company under the name and title of " Sportking India Limited Buyback Special A/c", in terms of the SEBI Regulations, immediately after the date of closure of the Buy Back Offer with YES Bank Limited as the Escrow Agent and the bankers to the issue registered with SEBI where the Company shall deposit such sum as would, together with ninety percent of the amount lying in the escrow account make-up the entire sum due and payable as consideration for buy-back in terms of the Buy-Back regulations

Interpretation

- 1.2 In this Agreement, unless the context requires otherwise:
 - (a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Agreement;
 - (c) references to one gender include all genders;
 - (d) any reference to any enactment or statutory provision is a reference to it as it may have been, or may from time to time be, amended, modified, consolidated or re-enacted (with or without modification) and includes all instruments or orders made under such enactment;
 - (e) words in the singular shall include the plural and vice versa;
 - (f) any reference to Article, Clause, Schedule or Appendix shall be deemed to be a reference to an Article, Clause, Schedule or Appendix of this Agreement;
 - (g) 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

Company For SPORTKING INDIA LIMITED 	Manager 	Escrow Agent 
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Director

(h) any reference to a party to this Agreement shall include, in the case of a body corporate, references to its successors and permitted assigns and in the case of a natural person, to his or her heirs, executors, administrators and legal representatives, each of whom shall be bound by the provisions of this Agreement in the same manner as the party itself is bound; and

1.3 No provisions of this Agreement shall be interpreted in favour of, or against, any party by reason of the extent to which such party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof.

2. APPOINTMENT OF THE ESCROW AGENT

2.1 The Company hereby agrees to appoint Yes Bank Limited as an escrow agent and to avail of the services and arrangements to be provided by the Escrow Agent, in the manner provided in, and in accordance with, the terms and conditions of this Agreement and the Escrow Agent agrees to be appointed as an escrow agent, and perform the obligations, duties and functions and provide the services and arrangements to be performed and provided by the Escrow Agent, in the manner provided in, and in accordance with the terms and conditions of, this Agreement.

3. OPENING OF THE ESCROW CASH ACCOUNT

3.1 Within one Business Day of the date of this Agreement, the Company shall have completed, executed and delivered to the Escrow Agent, all such forms, documents and writings required for the Escrow Agent to open the Escrow Cash Account. Subject to the aforesaid, the Escrow Agent shall open the Escrow Cash Account within three Business Days of the date of this Agreement. Within one Business Day of the closure of the Offer, the Company shall have completed, executed and delivered to the Escrow Agent, all such forms, documents and writings required for the Escrow Agent to open the Special Account. Subject to the aforesaid, the Escrow Agent shall open the Special Account within two Business Days of the date of closure of the Offer.

3.2 The Company will deposit with the Escrow Agent in the Escrow Cash Account such sum calculated in terms of the SEBI Regulations. Upon receipt of the Escrow Deposit, the Escrow Bank shall promptly, on the same day send a written confirmation as per format in Schedule I, to the Manager with a copy to the Company stating that the Escrow Account has been opened and shall specify the balance to the credit of the Escrow Account.

3.3 The parties agree and acknowledge that:

(a) The Escrow Cash Account and the Special Account shall have been opened pursuant to, and specifically for the purposes of, this Agreement and shall be governed by the provisions of this Agreement;

(b) No cheques, demand drafts or other payment or delivery instruments shall be issued and no credit facilities (by whatever name called) shall be granted or permitted in respect of the Escrow Cash Account or Special Account, provided that this sub-clause

NARAYAN SPORKING INDIA LIMITED Company	Capital Services Manager	Escrow Agent
		
		

shall not prevent the Escrow Agent from issuing such cheques or other instruments for payment of any amount pursuant to the terms of this Agreement;

- (c) Subject to the terms and conditions of the Escrow Agent governing term deposits, the Escrow Agent may, at any time during the term of this Agreement, based on the sole written instructions of the Manager, place the Escrow Amount or any part thereof in a fixed deposit. The lien on fixed deposit will be marked in the favour of the Manager and the Company have unconditionally and irrevocably authorized the Manager to encash such fixed deposit at any time. The Parties agree that any interest earned on such fixed deposit shall, notwithstanding any other provision(s) contained elsewhere in the Agreement, be transferred to the Account, as may be specified by the Manager in writing.
- (d) The Escrow Cash Account and Special Account shall be used and operated only for the purposes and in the manner provided in this Agreement and for no other use or purposes and in no other manner; the Company hereby empowers the Manager, as listed in Schedule 5, to the exclusion of any other person, to instruct the Escrow Agent to make such appropriation and/or payments from the Funds in the Escrow Account and the Special Account in accordance with the Buy-Back Regulations and subject to the terms of this Agreement
- (e) No amount may be withdrawn from the Escrow Cash Account or Special Account except as specifically provided in this Agreement;
- (f) No Party shall be entitled to create any charge, mortgage, pledge, lien, hypothecation, right of set-off or other security (by whatever name called) on or in respect of, or otherwise deal with, the Escrow Cash Account and/or Special Account, except as provided in this Agreement;
- (g) The Escrow Cash Account may not be closed except after payment of all amounts due and the Special Account may not be closed except after payment of all instruments issued from the Special Account for the purpose of payment of consideration to the successful shareholders.
- (h) The Escrow Agent shall have no right, interest, set-off right or lien of any kind whatsoever over or in relation to the Escrow Cash Account and the Special Account.
- 3.4 The Parties expressly agree that the provisions of this Agreement (including the instructions given hereunder to the Escrow Agent) may not be modified or amended except by the mutual agreement of the Escrow Agent and the other Parties and in writing. In particular, no instructions shall be given to the Escrow Agent (by whatever name called) which is not contemplated by or which is contrary to or inconsistent with the terms of this Agreement; and in the event of any such instructions being given, the same shall be null and void ab initio and the Escrow Agent shall not act upon, and shall ignore such instructions and continue to comply with the provisions of this Agreement. The Escrow Agent shall not incur any liability and shall not be liable for any loss or damage to any person whomsoever consequent to the Escrow Agent not acting upon, and ignoring, any such instruction which is not contemplated by or which is contrary to or inconsistent with the terms of this Agreement.

Company For SPOLENDIG INDIA	Manager Sawal Director DSEW Chandigarh	Escrow Agent Sawal
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3.5 Copies of the resolutions of the board of directors of the Company authorizing the persons executing this Agreement on their respective behalves have been delivered to the Escrow Agent simultaneously with the execution of this Agreement.

4. DELIVERY OF ESCROW AMOUNT

4.1 The Company shall deposit into the Escrow Account the amount as required under the SEBI Regulations.

4.2 The payment instruments for payment from the Special Account shall be drawn in favour of the successful shareholders who have tendered their shares in the Buy Back Offer upon instructions from the Manager.

5. RELEASE OF ESCROW AMOUNT

5.1 Upon delivery by the Manager to the Escrow Agent of written notices as set out in Schedules 3 and 4 hereto, the Escrow Agent shall on the same Business Day of the receipt of notices in Business hours, carry out instructions to transfer the amounts deposited in the Escrow Cash Account to the Special Account such sum as would, constitute not more than ninety percent of the amount lying in the escrow account. The payment instruments for payment from the Special Account shall be drawn in favour of the successful shareholders who have tendered their shares in the Offer, as per the instructions of the Manager.

6. DISCLAIMERS AND PROTECTION

6.1 The Escrow Agent shall not be under any duty to give the Escrow Amount held by it hereunder any greater degree of care than a prudent person gives to its own similar property.

6.2 The Parties unconditionally agree to the use of any form of telephonic or electronic monitoring or recording by the Escrow Agent as the Escrow Agent deems appropriate for security and service purposes.

6.3 Without prejudice to the other provisions of this Section 6, the Escrow Agent shall not be obliged to make any payment or otherwise to act on any request or instruction notified to it under this Agreement if:

(i) it is unable to verify any signature on the notice of request or instruction against the specimen signature provided for the relevant Authorised Representative hereunder; or

(ii) any facsimile or any other instructions are illegible or unclear.

In such event, the Escrow Agent shall intimate the relevant Authorised Representative within one Business Day of receipt of such facsimile or instruction.

6.4 The Escrow Agent shall be entitled to rely upon any order, judgment, decree, certification, demand, notice, or other written instrument delivered to it hereunder without being required to determine the authenticity or the correctness of any fact stated therein or validity or the service thereof. The Escrow Agent may act in reliance

For Escrow Agent	Manager	Escrow Agent
		
		

upon any instrument or signature believed by it to be genuine and may assume that any person purporting to give receipt or advice or make any statement or execute any document in connection with the provisions hereof has been duly authorised to do so and will not be held responsible for acting upon the same in good faith. The other Parties acknowledge that they are fully aware of the risks associated with transmitting instructions via facsimile and in case of any instructions by facsimile, shall deliver the original written instructions within two Business Days to the Escrow Agent.

- 6.5 The Escrow Agent does not have any interest in the Escrow Amount deposited hereunder.
- 6.6 The Escrow Agent shall have no responsibility for the contents of any ruling of any arbitrators or any court or any third party contemplated in any other document between the other Parties as a means to resolve disputes and may, at its option, rely without any liability upon the contents thereof.
- 6.7 No printed or other matter in any language which mentions the Escrow Agent's name or the rights, powers, or duties of the Escrow Agent shall be issued by the other Parties or any other person on their behalf unless the Escrow Agent shall first have given its written consent thereto.
- 6.8 The Escrow Agent may use (and its performance will be subject to the rules of) any communications, clearing or payment systems, intermediary bank or other system.
- 6.9 (i) the obligations and duties of the Escrow Agent will be performed only by the Escrow Agent; and
(ii) the rights of the other Parties with respect to the Escrow Agent extend only to such Escrow Agent.
- 6.10 The other Parties hereto shall ensure that no conflicting or inconsistent instructions are given to the Escrow Agent and if the Escrow Agent has received conflicting or inconsistent instructions from different Authorized Persons, and the Escrow Agent acts upon any such instructions, the same shall be at the risk and cost of the other Parties and the Escrow Agent shall have no liability to any person, provided that the Escrow Agent shall at all times act pursuant to the terms of this Agreement.
- 6.11 The funds in the Escrow Cash Account and Special Account shall be held or otherwise dealt with by the Escrow Agent on the terms and conditions of this Agreement. The Escrow Agent shall not have any proprietary interest in the funds, but shall merely hold and deal with such funds and act strictly in accordance with and subject to the terms of this Agreement and instructions given herein or pursuant hereto.
- 6.12 If the Escrow Agent becomes aware of, or is notified of, or is in receipt of any information from any Party to this Agreement or any third person or on its own accord, of any attachment, injunction or other order of a court, tribunal or other statutory authority which would prevent any of the transactions mentioned in this Agreement from taking place or being given effect to in the manner contemplated by this Agreement (including, without limitation, any attachment, injunction or other

Company/ For SPORTKING INDIA LIMITED	Manager Dawal	Escrow Agent S Jmt
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Director

Master Capital Services Chennai

order of a like nature in respect of the Escrow Cash Account(s)), the Escrow Agent shall forthwith notify the other Parties of the same in writing and shall not be obliged to perform or further perform any of the provisions contained in this Agreement.

- 6.13 The Escrow Agent shall not be liable or responsible for obtaining any regulatory or governmental or other approval in connection with or in relation to the transactions contemplated herein and shall not be in any manner obliged to inquire or consider whether any regulatory or governmental approvals have been obtained.
- 6.14 It is clarified that the Escrow Agent is not concerned with, is not put in notice of, and shall not be deemed to be put in notice (constructive or otherwise) of, any agreement or arrangement that has or may have been entered into and executed between any Parties (other than the Escrow Agent). The Parties agree that in the event of a conflict between this Agreement and any other agreement or arrangement, the provisions of this Agreement shall prevail. The Escrow Agent shall have no other obligations or duties to the Parties other than those expressly set out in this Agreement.
- 6.15 The Parties hereto agree that the obligations of the Escrow Agent under this Agreement are limited to those set out in this Agreement and in accordance with the written instructions received hereunder. The Escrow Agent shall assume no responsibility and shall have no other obligations or duties other than to act in terms of this Agreement.
- 6.16 No implied authorities, duties (fiduciary or otherwise), obligations or responsibilities shall be read into this Agreement to devolve on the Escrow Agent.
- 6.17 The Escrow Agent shall be entitled to act and rely upon any statement, request, notice or instruction or other writing with respect to this Agreement given to the Escrow Agent by any Party in accordance with the provisions of this Agreement. The Escrow Agent shall not be required to determine the authenticity or the correctness of any fact stated therein or the validity of service thereof or the authority of the person signing the same, and the Escrow Agent shall be entitled to presume that the same is genuine and has been duly signed by the person who has purported to sign the same and the Escrow Agent shall be entitled to presume that the person who has signed is authorized to sign on behalf of the concerned Party.
- 6.18 The Escrow Agent shall not be liable for any acts or omissions done pursuant to a decree, ruling, judgment or order of a court, executive or regulatory authority. The Escrow Agent shall not be liable for any claims arising out of any act, deed or thing done or omitted by the Escrow Agent in pursuance of the terms of this Agreement absent gross negligence or wilful misconduct (provided such gross negligence or wilful misconduct has been established by a final and non appealable judgement and decree of a court of competent jurisdiction). The Escrow Agent shall be entitled to obtain legal advice in connection with its obligations under this Agreement and to act in accordance with such legal advice and the Escrow Agent shall not be liable to any person if it acts in accordance with such advice.
- 6.19 All transfers and payments made by the Escrow Agent under this Agreement shall be made without any deduction, reduction, set-off, counter-claim or withholding unless such deduction or withholding is required to be made by the Escrow Agent,

Company For SPORTKING INDIA LIMITED	Manager Dawal	Escrow Agent S. J. M.
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Director

Capital Services Ltd. Chennai

in its capacity as an escrow agent for the transaction, by applicable law. If any such deduction or withholding is made, the Escrow Agent shall be entitled to make transfers or payments hereunder net of such amount and shall not be liable to transfer or pay any further amounts in relation to such transfer or payment.

- 6.20 The Parties agree that the Escrow Agent shall not be, in any way, responsible or liable to the other Parties or any third person whatsoever, for deduction or withholding of any taxes in relation to the transaction for which the Escrow Cash Account and Special Account has been established pursuant hereto and the Company acknowledges and confirms that it shall be solely and absolutely liable for any and all deductions or withholdings and payments of taxes, levies, cesses and all other statutory dues in relation thereto.
- 6.21 The Escrow Agent shall not have any responsibility in respect of all stamp duties and other charges and taxes payable on any or all aspects of the transactions contemplated under this Agreement as well as any other agreements, documents executed and transactions pursuant hereto or thereto, and the Company hereby agrees to keep the Escrow Agent indemnified and held harmless in respect of the same.
- 6.22 Wherever in this Agreement the Escrow Agent is required to dispatch or deliver any document, then such dispatch or delivery shall be deemed to have been completed upon the concerned documents being mailed by courier with acknowledgement requested, to the concerned person and the Escrow Agent shall not be responsible for the receipt of such documents by the addressee. Notwithstanding that the Escrow Agent may have dispatched or delivered such document, the relevant courier shall be deemed to be an agent of the addressee and the Escrow Agent shall not be in any manner liable for the acts or omissions of any such courier or for any damage or loss to or of such documents.
- 6.23 The provisions of this Section 6 shall survive the termination of this Agreement.
- 6.24 The Escrow Agent shall have no duty or liability to verify any statement, certificate, notice, request, consent, order or other document delivered to it hereunder, and its sole responsibility shall be to act only as expressly set forth in this Agreement. The Escrow Agent shall be obligated to perform only such duties as are expressly set forth in this Agreement. No implied covenants, duties or obligations, fiduciary or otherwise, shall be inferred from this Agreement against the Escrow Agent, nor shall the Escrow Agent be bound by the provisions of any agreement by the Company beyond the specific terms hereof.
- 6.25 The Escrow Agent shall be entitled to rely upon any order, judgment, certification, instruction, notice, opinion or other writing delivered to it in compliance with the provisions of this Agreement without being required to determine the authenticity or the correctness of any fact stated therein or the propriety or validity of service thereof. The Escrow Agent may act in reliance upon any instrument in compliance with the provisions of this Agreement or signature believed by it to be genuine and may assume that any person purporting to give notice or receipt or advice or make any statement or execute any document in connection with the provisions hereof has

For SPOKING INDIA LIMITED Director	Manager Darral	Escrow Agent S. J. M.
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Master Credit Services Ltd. Chennai

been duly authorized to do so provided that the Escrow Agent has acted in accordance with the terms and conditions of this Agreement.

7. REPRESENTATIONS AND WARRANTIES




7.1 The Company represents, warrants and confirms to the Escrow Agent:



- (a) that the transactions as referred to in this Agreement are pursuant to, and in compliance with, all applicable Laws, and all necessary regulatory and other approvals required for consummation of the transactions contemplated herein have been obtained;
- (b) that entering into this Agreement and the transactions referred to in this Agreement and taking any steps in respect thereof, do not and will not involve a breach of any contractual, statutory, regulatory, legal or other provision or obligation to which the Company is subject and that it has not taken and will not take any action and know of no matter as a result of which it would be in violation of and/or not be able to give this confirmation were it required to repeat it any time during the period of the Escrow Agent's engagement hereunder;
- (c) that there are no claims, disputes, demands, awards, arbitrations orders of attachment, garnishee orders, injunctions or any other orders or proceedings, whether passed, pending, anticipated or threatened, against them, which would in any manner prevent any transaction contemplated by this Agreement from taking place in the manner contemplated by this Agreement;
- (d) the Escrow Agent is not required to withhold any amount from or in respect of the transfers mentioned above pursuant to any Law, including without limitation, any requirement for withholding tax;
- (e) no person or entity has or will have any claims or any security interest, charges, encumbrances, lien, or other similar interest (including arising by statute or otherwise) in or over the Escrow Cash Account; and
- (f) the Company has not received, and does not have any reason to expect to receive, any notice, intimation, information and/or other communication of any proceeding, investigation, inquiry, award or order (by whatever name called) which in respect of, or which may prevent or impede the completion of, the transactions contemplated herein.

7.2 Each Party, for itself and not for the others, represents and warrants to the others that:

- (a) it has the power and authority to execute this Agreement and perform its obligations hereunder;
- (b) its obligations under this Agreement constitute legal, valid and binding obligations enforceable in accordance with the terms of this Agreement; and
- (c) it is not aware of any legal, quasi-legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions, governmental investigations,

For SPORTKING INDIA LIMITED

Company	Manager	Escrow Agent
	 Director	

orders, judgments or decrees of any nature made, existing, threatened, anticipated or pending by or against it which may prejudicially affect the due performance or enforceability of this Agreement or any obligation, act, omission or transaction contemplated hereunder.

8. INDEMNITY AND LIABILITY

- 8.1 The Company shall indemnify and keep the Escrow Agent (and, without limitation, its directors, officers, agents and employees) (each an "Indemnified Party"), indemnified and hold each of them harmless from and against any and all losses, liabilities, claims, actions, damages, fees and expenses claimed (including lawyers' fees and disbursements) (together, "Claims"), arising out of or in connection with this Agreement (except as are caused by such Indemnified Party's own gross negligence or wilful default and provided that such negligence or wilful default has been determined by a final and non-appealable award or order of an arbitrator or of a competent court), the breach of the Company's representations and warranties or any of the terms of this Agreement or any applicable law, and all outgoings of whatever nature and/or on whatsoever account, and for all reasonable costs and expenses (including professional and legal fees and costs) which are incurred by the Indemnified Party in connection with investigating, preparing to defend and defending any Claim, in which any Indemnified Party is made a party including any amount paid whether on account of an order or judgment or in settlement of any action, proceeding, litigation, arbitration or other action (commenced or threatened). The Escrow Agent shall intimate the Company of any Claim within a reasonable period of time.
- 8.2 The Escrow Agent shall indemnify and keep the Manager (and, without limitation, their respective directors, officers, agents and employees) (each an "Indemnified Party"), indemnified and hold each of them harmless from and against any and all losses, liabilities, claims, actions, damages, fees and expenses claimed (including lawyers' fees and disbursements) (together, "Claims"), arising out of or in connection with gross negligence or wilful default of the Escrow Agent and provided that such negligence or wilful default has been determined by a final and non-appealable award or order of an arbitrator or of a competent court).
- 8.3 The Escrow Agent shall not be liable, in any manner whatsoever and in any circumstances whatsoever to the Company in respect of or in connection with this Agreement except in cases of gross negligence or wilful default by the Escrow Agent or breach of the terms and conditions of this Agreement.
- 8.4 The provisions of indemnification of the Escrow Agent and any other Indemnified Party under this Agreement shall not be affected by any other terms set out in this Agreement and shall be in addition to any other rights which the Escrow Agent and any other Indemnified Party may have in law or otherwise.
- 8.5 Notwithstanding the foregoing, under no circumstances will the Escrow Agent be liable to the Company for any consequential loss (inter alia, being loss of business, goodwill, opportunity or profit) even if advised of such loss or damage.

ESPOKING INDIA

Company	Manager	Escrow Agent
	Director 	



9. TERMINATION

- 9.1 The Escrow Agent will cease to be the Escrow Agent automatically upon the termination of this Agreement as set out herein.
- 9.2 The provisions of this Agreement shall come to an end upon full performance by the Escrow Agent of its obligations hereunder.
- 9.3 The Parties may terminate this Agreement at any time by mutual written agreement.
- 9.4 Upon the termination of this Agreement under this Section 9, the provisions of Sections 6, 7, 8, 11.1, 12 and 14 shall survive such termination.

10. FORCE MAJEURE

- 10.1 The Escrow Agent shall not be held liable or responsible for any failure or delay in performance of any or all of its duties under this Agreement, directly or indirectly caused by any circumstances beyond the control of the Escrow Agent, including, but not limited to, acts of God, orders or restrictions, war or warlike conditions, hostilities, sanctions, mobilizations, blockades, embargoes, detentions, revolutions, riots, looting, strikes, earthquakes, fires or accidents, failure of communication or banking systems (collectively, "Force Majeure"). Upon the occurrence of any event or condition of Force Majeure which affects the performance of the Escrow Agent, the Escrow Agent shall, as soon as is reasonably possible, notify the other parties of the nature of the event or condition, the effect of the event or condition on the Escrow Agent's performance and, on a best efforts basis, the estimated duration of the event or condition. The Escrow Agent shall also notify the other parties immediately upon cessation of or changes in the event or condition constituting Force Majeure.

11. MISCELLANEOUS

- 11.1 If any provision of this Agreement is held to be unenforceable, this Agreement shall be considered divisible and such provision shall be deemed inoperative to the extent it is deemed unenforceable, and in all other respects this Agreement shall remain in full force and effect; provided, however, that if any such provision may be made enforceable by limitation thereof, then such provision shall be deemed to be so limited and shall be enforceable to the maximum extent permitted by applicable Law.
- 11.2 No forbearance, indulgence or relaxation of any party at any time to require performance of any provision of this Agreement shall in any way affect, diminish or prejudice the right of such party to require performance of the same provision and any waiver or acquiescence by any party of any breach of any provision of this Agreement shall not be construed as a waiver or acquiescence of any continuing or succeeding breach of such provisions, a waiver of any right under or arising out of this Agreement or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Agreement.

Company <i>[Signature]</i> Director	Manager <i>[Signature]</i>	Escrow Agent <i>[Signature]</i>
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[Circular Stamp: Capital Services Ltd. Master & Chartered]

[Circular Stamp: ESCROW AGENT]

11.3 This Agreement may be executed in one or more counterparts, each of its counterparts shall be deemed an original and all of which shall constitute one and the same instrument.

11.4 This Agreement contains the entire agreement between the parties hereto with respect to the transactions contemplated herein and supersedes all previous written or oral negotiations, commitments and writings with respect to the transactions contemplated herein.

12. NOTICES AND INSTRUCTIONS

12.1 Any notice or other communication by any Party hereto to the other pursuant to or in connection with this Agreement shall be given in writing and may be sent by facsimile transmission or by hand delivery or courier to the addresses and facsimile numbers indicated herein below and to the attention of the person mentioned below and, if received outside usual business hours of the recipient Party, shall be deemed to have been received upon commencement of usual business hours on the next Business Day after receipt thereof unless in each case a different address and facsimile number and addressee for sending of instructions, notices, etc., has been provided in terms hereof.

Company: Sportking India Limited

Address: Vill. Kanech, Near Sahnewal,
G.T. Road, Ludhiana- 141120.

Escrow Agent: Yes Bank Ltd. Tower B, 7th Floor, Building No.
8, DLF Cyber City, NOC Gurgaon, Haryana-
122003

Address: Contact Person: Arvinder Singh
diggnescrowsservices@YESBANK.IN




Manager: MASTER CAPITAL SERVICES LIMITED

Address: SCO 22-23, Sector 90, Madhya Marg,
Chandigarh - 160009




unless in each case a different address and facsimile number and addressee for sending of instructions, notices, etc., has been provided in terms hereof.

12.2 Instructions, notices and communications sent by facsimile are subject to confirmation of proper transmission.

12.3 The Company and the Manager have authorised the Authorized Representatives to give instructions to the Escrow Agent on their respective behalf. Certified copies of all authorisation documents have been provided to the Escrow Agent, simultaneous with the execution of this Agreement, and the Escrow Agent shall at all times be entitled to rely on the same without any further verification.

Company	Manager	Escrow Agent
 SPORTKING INDIA Limited	 Arvinder Singh Director Master Capital Services Limited Chandigarh	 Escrow Agent

- 12.4 Any act to be done by the Escrow Agent shall be required to be done only on a Business Day, during usual banking business hours and in the event that any day on which the Escrow Agent is required to do an act under the terms of the Agreement, is a day on which banking business is not, or cannot for any reason be, conducted, then the Escrow Agent shall be entitled to do those acts on the next succeeding Business Day.
- 12.5 Any instructions to the Escrow Agent shall continue in full force and effect until cancelled or superseded by another instruction which is valid under the provisions of this Agreement. If instructions have already been acted upon, they cannot be cancelled.
- 12.6 The parties shall ensure that no conflicting or inconsistent instructions are given to the Escrow Agent and if the Escrow Agent has received conflicting or inconsistent instructions from different authorized persons of any party, and the Escrow Agent acts upon any such instructions, the same shall be at the risk and cost of such party and the Escrow Agent shall have no liability to any party.
- 12.7 The Company and Manager will comply with certain agreed security procedures (the "Procedures") as set out in Annexure 1, designed to verify the origination of communications between them and the Escrow Agent such as enquiries, advices and instructions including all instructions or communications from any Authorised Representative (each a "Communication").
- 12.8 The Escrow Agent is not obliged to do anything other than what is contained in the Procedures to establish the authority or identity of the person sending a Communication. The Escrow Agent is not responsible for errors or omissions made by any of the other parties or the duplication of any Communication by any of the parties. The Escrow Agent may act on a Communication if it reasonably believes it contains sufficient information.
- 12.9 The Escrow Agent may decide not to act on a Communication where it reasonably doubts its contents, authorization, origination or compliance with the Procedures and will promptly notify the Party who has sent such communication (by telephone if appropriate) of its decision.
- 12.10 If the Escrow Agent acts on any Communication sent by any means requiring manual intervention (such as telephone, telex, telefax, electronic mail or disks sent by messenger) then, if the Escrow Agent complies with the Procedures, the Company, and the Manager will be responsible for any loss the Escrow Agent may incur in connection with or in giving to, that Communication.
- 12.11 Each of the parties understands, acknowledges and accepts that communication sent via facsimile machines, internet, diskettes, or any other method over public lines is not encrypted, and that these transmission methods are not necessarily secure means of transmission and delivery of information, and that there are associated risks, including of breach of confidentiality, possible unauthorized alteration and/or unauthorized use, and failure of Communication. Each of the Company and the Manager agrees to exempt the Escrow Agent from any and/or all responsibility in this regard including as to any misuse of Communication, and to hold the Escrow

Company	Manager	Escrow Agent
	 Director	



Agent harmless for any cost or loss that the Escrow Agent may incur due to the same and any error, delay or problem in transmission or otherwise and indemnify Escrow Agent against any such loss.

13. BINDING

13.1 This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and permitted assigns. Subject to the provisions of this Agreement, no party may assign any of its rights or obligations under this Agreement without the prior written consent of the other Parties, provided that the Escrow Agent may assign its rights and obligations hereunder to a successor escrow agent appointed in accordance with Section 13.2 below.

13.2 The Escrow Agent may resign at any time upon giving at least 30 days prior written notice to the other Parties; provided, however, that no such resignation shall become effective until the appointment of a successor escrow agent which shall be accomplished as follows: The other Parties shall use their best efforts to select a successor escrow agent within 15 days after receiving such notice. If the Parties fail to appoint a successor escrow agent within such time, the Escrow Agent shall have the right to appoint a successor escrow agent. The successor escrow agent shall execute and deliver an instrument accepting such appointment and it shall, without further acts, be vested with all the estates, properties, rights, powers, and duties of the predecessor escrow agent as if originally named as escrow agent. Upon delivery of such instrument, the Escrow Agent shall be discharged from any further duties and liability under this Agreement. The Escrow Agent shall be paid any outstanding fees and expenses prior to transferring assets to a successor escrow agent.

14. GOVERNING LAW AND DISPUTE RESOLUTION

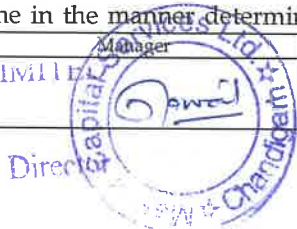
14.1 The laws of India shall govern the validity and interpretation of this Agreement and the performance by the Parties hereto of their respective duties and obligations under the Agreement. Any and all disputes and claims arising under this Agreement or out of or in connection with the execution, interpretation, performance, or non-performance of this Agreement or any document delivered pursuant hereto or all of the foregoing shall be settled by arbitration in Mumbai in accordance with the provisions of the Arbitration and Conciliation Act, 1996 (the "Arbitration Act").

14.2 For the purpose of such arbitration, there shall be a sole arbitrator appointed with consent of the Parties hereto failing which the sole arbitrator shall be appointed in accordance with the provisions of the Arbitration Act.

14.3 All arbitration proceedings shall be conducted in the English language. Judgement upon any arbitral award rendered hereunder may be entered in any court in Mumbai, India having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.

14.4 Each Party shall co-operate in good faith to expedite, to the maximum extent practicable, the conduct of any arbitral proceedings commenced under this Agreement. The costs and expenses of the arbitration, including, without limitation, the fees of the arbitration, and including, without limitation, the fees of the sole arbitrator, shall be borne in the manner determined by the sole arbitrator. The sole

Company	Manager	Escrow Agent
For SPORTKING INDIA LIMITED		



arbitrator shall have the power to award interest on any sums awarded as due and payable up to the date of actual payment of such sums.

14.5 Subject to the above, only the courts of competent jurisdiction in Mumbai, India shall have jurisdiction in respect of all matters and/or claims and/or disputes relating to or arising out of this Agreement.

15. ESCROW FEES

15.1 The Escrow Agent shall be entitled to an upfront one time Fees 50000.00 (Fifty Thousand Only) and applicable Service Tax for providing the services during the tenure of this Agreement. The escrow fee shall be paid by the Company upon execution of this Escrow Agreement, failing which the Escrow Agent shall not be bound to comply with its obligations under this Agreement and this agreement shall be null and void. Escrow Account/s or Party No 1 account mentioned above will be debited in case of non-payment of Escrow Fee or Escrow Agent shall deduct Escrow Fees at the time of first debit transaction from Escrow Account. Escrow Account/s will not be made operational if the Escrow Fees are overdue and Escrow Agent reserves the right terminate the Escrow Agreement in case of non-receipt of Escrow Fees. The Appointees agree that the Escrow Agent shall not be required to give any notice to any of the Appointees before exercise of this power.

AS WITNESS this Agreement has been signed by the duly authorised representatives of the parties the day and year first before written.

<p>For Sportking India Limited (Company) Name: <u>Naveh Kumar Jain</u> <u>Lowesh Verma</u> Designation: <u>Wholetime Director</u> <u>Company Secretary</u></p>	<p>Signature and Seal  Director</p>	
<p>For Masters Capital Services Limited (Manager) Name: Designation:</p>	<p>Signature and Seal </p>	
<p>For YES Bank Limited (Escrow Agent)</p>	<p>Signature and Seal </p>	
<p>For SPORTKING INDIA LIMITED</p>		
<p>Company </p>	<p>Manager Director </p>	<p>Escrow Agent </p>

For SPORTKING INDIA LIMITED
Director




S7 ml

Name:	
Designation:	

For SPORTS COMPANY INDIA LIMITED	Manager	Escrow Agent
		
Director		

SCHEDULE 1 - Acknowledgement from Escrow Bank

Date:

To
MASTER CAPITAL SERVICES LIMITED
SCO 22-23, Sector 9D,
Madhya Marg, Chandigarh -160 009

Re: Confirmation on credit of Escrow Amount in the " _____ "

This has reference to the Escrow Agreement dated [_____] executed between Sportking India Limited, Master Capital Services Limited and Yes Bank Limited ("Escrow Agreement"). Terms used but not defined in this letter shall have the same meaning attributed to them under the Escrow Agreement.

Pursuant to the Escrow Agreement, we hereby acknowledge/ confirm that:

We are in receipt of [_____] /-(Rupees [_____] Only)] ("Escrow Deposit") and the said Escrow Deposit has been deposited in the Escrow Account (Account No []) maintained with us.

Yours faithfully,

For Yes Bank Limited


Authorized Signatory

cc : _____



Director
Sportking India Limited



For Sportking India Limited

Director



 Director	 Manager	 Escrow Agent
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SCHEDULE 2

FORM OF INTIMATION TO THE ESCROW AGENT

To: YES Bank Limited

From: _____

Re: Escrow Cash Account of _____ (Company) and
Escrow Agreement dated _____ (the "Escrow Agreement")

Dear Sirs,

Please find enclosed the following:

- (i) a certified true copy of a resolution by the Board of Directors for approving the Buy-Back; and
- (ii) Acknowledged copy of the Letter of Offer as filed with the SEBI

Capitalised terms not defined herein shall have the meanings ascribed to them in the Escrow Agreement.

For _____ (Company):

Authorized Signatory

cc: _____ (Manager)



For SPORTKING INDIA LIMITED
Director

For SPORTKING INDIA LIMITED



Company	Manager	Escrow Agent
For SPORTKING INDIA LIMITED 		

Director

SCHEDULE 3

FORM OF INSTRUCTION TO THE ESCROW AGENT

To: YES Bank Limited

From: Master Capital Services Limited

Re: Escrow Cash Account of Sportking India Limited (Company) and
Escrow Agreement dated (the "Escrow Agreement")

Dear Sirs,

We hereby instruct you to transfer on _____, Rs. _____ from the Escrow Cash Account No. _____ to the Escrow Special Account numbered _____ with the Escrow Agent.

Capitalised terms not defined herein shall have the meanings ascribed to them in the Escrow Agreement.

For Master Capital Services Limited
(Manager):

Authorized Signatory

cc: Sportking India Limited _____ (Company)

Company	Manager	Escrow Agent
		



For SPORTKING INDIA LIMITED
Director

For SPORTKING INDIA LIMITED
Director



SCHEDULE 4

FORM OF INSTRUCTION TO THE ESCROW AGENT

To: YES Bank Limited

From: Master Capital Services Limited

Re: Escrow Cash Account of Sportking India Limited (Company) and
Escrow Agreement dated (the "Escrow Agreement")

Dear Sirs,

Pursuant to Section 5 of the Escrow Agreement dated _____, we hereby instruct you to pay Rs. _____ from the Special Account numbered _____.

Capitalised terms not defined herein shall have the meanings ascribed to them in the Escrow Agreement.

For Master Capital Services Limited

(Manager):

Authorized Signatory



For SPORTKING INDIA LIMITED
Director

For SPORTKING INDIA LIMITED
Director



For SPORTKING INDIA LIMITED



Company	Director	Escrow Agent



SCHEDULE 5

Authorized Representatives

Any One to Sign

Master Capital Services Limited		
Name	Designation	Specimen Signature
Mr. Jaspal Singh Rawat	Associate Director	
Mr. Sanjay Mathur	SVP	
Mr. Ajit Baluni	Senior Manager	

	Company	Manager	Escrow Agent
			
		Director	


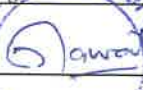
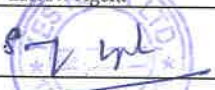
ANNEXURE I

1. PROCEDURES FOR INSTRUCTIONS

- 1.1 During the course of this Agreement, the Company and Manager, from time to time, require to provide instructions to the Escrow Agent for transactions contemplated in this Agreement and/or modifications thereof, (collectively, "Instructions", and in the singular, an "Instruction"), in form and manner acceptable to the Escrow Agent, and in accordance with this Agreement, through their Authorized Representatives (as intimated to the Escrow Agent, in accordance with the Agreement).
- 1.2 The Instructions by facsimile transmission or in original hard copy shall be transmitted / delivered by the Company and Manager, as the case may be, duly signed by its Authorized Representatives, in conformity with the specimen signatures of the Authorized Representatives registered with the Escrow Agent. The Company and Manager hereby authorize and instruct the Escrow Agent to act in accordance with such Instructions received in accordance with the procedures set-out herein.
- 1.3 The Escrow Agent will verify the signatures on the Instructions by facsimile transmission or on original hard copy, with the specimen signatures of the Authorized Representatives provided to the Escrow Agent by the Company and / or Manager, as the case may be. For facsimile Instructions, the Escrow Agent will be permitted to, but shall not be required to, act on the Instruction only after the Escrow Agent in a recorded telephone call with one of the Authorized Representatives, receives confirmation with regard to the provision of the Instruction.
- 1.4 The Company and the Manager hereby agrees that all Instructions by facsimile transmission or by original hard copy shall exclusively use the format prescribed in the Agreement, if any such format is prescribed.
- 1.5 The Company and Manager hereby :
 - (a) confirm that they shall be bound by the contents of Instructions transmitted by facsimile to the Escrow Agent, and that, in the event of any discrepancy between the Instructions as transmitted by facsimile and the original of the Instructions, the Instructions transmitted by facsimile and the particulars as contained therein, may, if the Escrow Agent has acted on the basis of such facsimile, be deemed by the Escrow Agent to be the primary document evidencing the Instructions, and shall prevail, and
 - (b) undertake, without prejudice to the aforesaid, that the Company and Manager shall, within seventy two hours of receipt of demand from the Escrow Agent, deliver the original of any Instructions to the Escrow Agent, clearly marked:
- 1.6 The Company and / or Manager accept full responsibility for requisite due process, safety and security procedures at their end, in the transcribing, signing, issue and transmission of Instructions by facsimile to the Escrow Agent, and

Company <i>FOR EXPORT INDIA LIMITED</i> <i>[Signature]</i>	Manager <i>Director</i> <i>[Signature]</i> <i>Master Capital Services Ltd</i> <i>Chandigarh</i>	Escrow Agent <i>[Signature]</i> <i>57 ml</i> <i>[Circular Stamp]</i>
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- 1.7 In the event of any discrepancy between the records of the Company and /or Manager and the records of the Escrow Agent in relation to Instructions, the records maintained by the Escrow Agent shall be presumed to be true and correct, and
- 1.8 The Escrow Agent shall be entitled not to act on the basis of an Instruction transmitted by facsimile or original hard copy in the event that the Instruction so received or any part thereof, appears illegible, garbled, erroneous, self-contradictory, incomplete or unclear, or for acting on the immediately succeeding Business Day if an Instruction is received at or beyond the close of banking hours on a Business Day or on a non-Business Day. The Escrow Agent shall notify the Company and Manager, as the case may be, as soon as practicable should it elect to not act upon an Instruction received and no liability shall devolve upon the Escrow Agent for not acting thereupon thereafter, and the Company and / or Manager shall not revoke any Instruction transmitted by facsimile or otherwise subsequent to their transmittal.
- 1.9 The Escrow Agent is not required at all to seek to ascertain the validity, genuineness or otherwise of the Instructions received by facsimile transmission other than adhering to the processes referred to in Clause 1.3 of Annexure I.

Company SPORIKING INDIA LIMITED 		Manager 	Escrow Agent 
Director		