

THIS MEMORANDUM OF UNDERSTANDING is made between TVS MOTOR COMPANY LIMITED, a Company registered under the Companies Act, 1956, having its Registered Office at Jayalakshmi Estates, No.29, Haddows Road, Chennai – 600 006 (hereinafter called "COMPANY")

And

Doon Motors represented by its Proprietor and having its office at Chakrata Road, Prem Nagar, Dehradun – 248 007, Uttarkhand (hereinafter called "APPLICANT").

WHEREAS COMPANY is a manufacturer of Motorcycles, Scooters and Mopeds in various models.

WHEREAS APPLICANT has applied to COMPANY for appointment as an Authorised Main Dealer of COMPANY (hereinafter called "DEALER").

WHEREAS pursuant to the application of APPLICANT and following the discussions held between COMPANY and APPLICANT, COMPANY is willing to consider appointing APPLICANT as DEALER, subject to APPLICANT agreeing for and fulfilling certain preliminary terms and conditions, and APPLICANT is willing to accept and fulfill such preliminary terms and conditions.

WHEREAS this Memorandum of Understanding ("MoU") sets out the said preliminary terms and conditions.

NOW THIS MEMORANDUM OF UNDERSTANDING WITNESSES:

1. APPLICANT will, as indicated by APPLICANT, arrange to provide for a showroom (minimum 3100 Sq.ft), workshop (minimum 2600 sq.ft), parts store (minimum 500 sq.ft) and other dealership facilities at Doon Motors, Chakrata Road, Prem Nagar, Dehradun – 248 007, Uttarkhand.
2. The showroom, workshop, parts store and other facilities for operation of the proposed dealership of APPLICANT will, at the cost and expense of APPLICANT, be done up as per COMPANY's recommendations on corporate identity standardisation and in consultation with COMPANY's appropriate Area Office.
3. APPLICANT will ensure that the construction, finishing, facilities and interiors of the proposed dealership in all respects are fully completed by 15th July 2017 and that until such completion APPLICANT will allow representative of COMPANY to inspect the progress of work at all reasonable times. In case the Applicant fails to complete the works within the agreed time line, it is deemed that the Applicant waives its right to enter into Dealership Agreement within the company and the MoU is deemed to be rescinded and the Applicant shall have no claims of whatsoever nature against the Company.

For DOON MOTORS

TVS MOTOR COMPANY LTD.

Contd....2



: 2 :

4. APPLICANT will send to COMPANY photographs of the stage of construction of the proposed dealership periodically as COMPANY may request.
5. After the construction of the dealership is complete and it is ready for operation and commencement within the agreed time line, APPLICANT will send to COMPANY photographs of the showroom (full views from front and views in the interiors), workshop and parts store from different angles.
6. APPLICANT will on or before 23rd January 2017 send to COMPANY a security deposit of Rs 2,00,000/- (Rupees Two Lakhs Only) in the form of a demand draft favouring TVS Motor Company Limited and payable at Hosur (Tamil Nadu). This security deposit will carry such interest as COMPANY decides from time to time, till it is repaid or otherwise adjusted towards any dues to COMPANY. When COMPANY enters into a dealership agreement with APPLICANT, this security deposit will continue to be retained by COMPANY till termination of such dealership agreement. In the event of the termination of such dealership agreement, if APPLICANT owes any money to COMPANY, or if by any act or omission APPLICANT has caused any loss or expense to COMPANY, such amount or amounts will be adjusted against APPLICANT's security deposit, and the balance, if any, will be repaid to APPLICANT. If the APPLICANT fails to complete the works within the agreed time line and disables the COMPANY to commence the business within the time line with the APPLICANT, the COMPANY shall have every right to forfeit the security deposit. In this regard, the APPLICANT has no objection and agrees to not to raise any claims or demand against the COMPANY. The APPLICANT agreed to this condition for the reasons that when the APPLICANT fails to perform its obligations under or pursuant to this MoU, it causes severe hardship to the business prospects of the COMPANY, as the APPLICANT made the COMPANY to believe that the APPLICANT would commence the business on completion of work and upon entering into dealership agreement as its Dealer within the agreed time line.

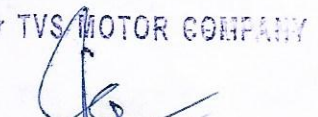
Failure of APPLICANT in this regard would result in loss business opportunity to the COMPANY. Hence, the APPLICANT agrees to forego the security deposit in such cases. It is agreed by the APPLICANT that the time is essence of this MoU.

7. If and when appointed as DEALER, APPLICANT may not be a sole or exclusive Authorised Main Dealer of COMPANY at any place or region. COMPANY reserves the right, at its sole discretion, to appoint more Authorised Main Dealers or Authorised Dealers Direct or Authorised Dealers for COMPANY's products or other sales and/or service outlets for COMPANY's products anywhere, including in and around the place of operation of APPLICANT.

For DOON MOTORS


Proprietor

For TVS MOTOR COMPANY LTD..


Authorised Signatory

Contd....3

8. Prior to the proposed appointment of APPLICANT as DEALER, in order to prepare APPLICANT for commencing APPLICANT's operations as an Authorised Main Dealer without loss of time, COMPANY may provide training to the personnel of APPLICANT's proposed dealership, at COMPANY's factory at Hosur / Mysore / Nalagarh and /or at the appropriate Area Office of COMPANY, and in such an event APPLICANT will depute such member of APPLICANT's personnel and at such time as COMPANY may suggest for the said training.
9. If the foregoing terms and conditions are fulfilled by APPLICANT to the satisfaction of COMPANY (the opinion of COMPANY as to such fulfillment will be final and binding on APPLICANT), COMPANY would be prepared to enter into a separate Agreement with APPLICANT for appointing APPLICANT as DEALER. The full terms of such appointment will be as per the format of COMPANY's standard Dealership Agreement as would then be in use.
10. In the event APPLICANT does not fulfill the foregoing terms and conditions on or before 15th July 2017 or within such further time as COMPANY may at its sole discretion grant for that purpose, COMPANY reserves its right to cancel this MoU forthwith by a notice of cancellation addressed to APPLICANT.
11. If before COMPANY enters into a Dealership Agreement with APPLICANT, APPLICANT commits any act or deed, which in the sole judgment of COMPANY is injurious to the interests of COMPANY in any way, COMPANY reserves its right to cancel this MoU forthwith by a notice of cancellation addressed to APPLICANT.
12. All notices required or permitted under this MoU shall be in writing and may be dispatched by post or by e-mail or sent by courier or forwarded by any other personal messenger. Such notices shall, if addressed to APPLICANT, be sent to APPLICANT's address hereinabove given and, if addressed to COMPANY, shall be sent to TVS Motor Company Limited, "Harita" P.O.Box No.4, Hosur 635 109, Tamilnadu. COMPANY may also notify APPLICANT of any change in its address for the receipt of notices.

Likewise, APPLICANT shall notify COMPANY of any change in APPLICANT's address for the receipt of notices. In the absence of such notification, the address mentioned in the MoU shall be construed to be the proper address for service of notices. Any such notice, if properly addressed and if proper postage has been prepaid, shall be deemed to be delivered forty eight hours after posting. Delivery of any notice sent by e-mail shall be deemed to take place immediately on despatch from a computer. When sent by courier or other personal messenger, the date when such notice is actually delivered under acknowledgement at the address of the recipient as aforesaid or to a responsible person of the recipient wherever such responsible person is, will be the date of delivery.

For DOON MOTORS
Proprietor**For TVS MOTOR COMPANY LTD.,**
Authorized Signatory

Contd....4

13. COMPANY shall not be liable to APPLICANT or APPLICANT shall not be entitled from COMPANY for compensation for exercising COMPANY's right of cancellation of this MoU.
14. APPLICANT's application code is 11804, which APPLICANT will quote in all correspondence with COMPANY.
15. This MoU shall be deemed to be made at the place where and on the date when it is executed by the party executing it last.
16. All disputes, differences, and/or claims which have arisen between the parties before execution of this MoU or which may arise between the parties after execution of this MoU, in respect of all matters relating to, arising from or connected with this MoU or in respect of other contracts or arrangements between COMPANY and APPLICANT (irrespective of the fact that any such dispute, difference or claim may be raised, stated or put forth after the cancellation of this MoU) shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1956, or any statutory amendment thereof, and shall be referred to the arbitration of a sole arbitrator nominated by the CHAIRMAN of COMPANY. Such arbitration proceedings shall take place at Hosur and the same shall be conducted in English. The arbitral tribunal shall endeavour to give its award within six months of its constitution. The award given by the arbitral tribunal shall be final and binding on the parties to this MoU. In the event of any such arbitrator, to whom the matter has been originally referred, dying or being unable to act for any reason, the CHAIRMAN of COMPANY shall appoint another person to act as sole arbitrator. Such a person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor.
17. Subject to arbitration and where judicial intervention is permissible, courts at Hosur (and where any District Court alone has power to adjudicate, the appropriate District Court within whose jurisdiction Hosur comes under) will alone have exclusive jurisdiction over all disputes or differences between the parties as to matters arising from, covered by or connected with this MoU or as to the interpretation or implementation of MoU, to the exclusion of all other courts.
18. This MoU between COMPANY and APPLICANT shall cancel and supersede all previous communications or understandings between the Parties hereto, whether written or oral, in connection with COMPANY acting on APPLICANT's application for appointment as DEALER, and on matters specified herein.

For DOON MOTORS


Proprietor

For TVS MOTOR COMPANY LTD.,


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Contd....5



: 5 :

19. This MoU, is executed in triplicate, two of which will be retained by COMPANY and one of which will be retained by DEALER.

IN WITNESS WHEREOF the parties hereto have duly executed these presents on the day, month and year respectively set opposite their names herein below written.

Place: Hosur
Date : 16.01.2017

For DOON MOTORS

Proprietor

Dealer Name: _____

Place: Hosur
Date : 16.01.2017

For TVS MOTOR COMPANY LTD.,

Authorised Signatory