



महाराष्ट्र MAHARASHTRA

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AG 737578

प्रधान मुद्रांक कार्यालय, मुंबई  
प.मु.वि.क. ८०००००९  
- 8 JUN 2018  
सिद्धम अधिकारी

श्री/दि. क. गवः

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE SHAREHOLDER'S AGREEMENT EXECUTED ON 10<sup>th</sup> JULY 2018 BY AND BETWEEN ADITYA BIRLA RENEWABLES LIMITED, SANGAM RENEWABLES LIMITED AND WAACOX ENERGY PRIVATE LIMITED.


  


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 जोड़पत्र-२/ANNEXURE - II

14 JUN 2018

मुद्रांक विपरीत नोट वही अनु. क्रमांक / दिनांक Serial No. / Date	
दस्तावेज प्रकार / अनुसूचित प्रकार (Nature of Document)	<b>AGREEMENT</b>
दस्तावेज को नोंदणीत करायला आहे का? Whether it is to be Registered) Yes/No	Yes/No
मिळवणीचे सादरकरण वर्णन (Property Description in brief)	<b>Aditya Birla Renewables Limited</b>
मुद्रांक विकत घ्याय्याचे नाव व सही (Stamp Purchaser's Name & Signature)	<b>A-4, Aditya Birla Centre, S.K. Anire Marg, Worli, Mumbai - 400 030.</b>
इतर असल्यास त्याचे नाव व सही व सही (If through other person then Name, Add. & Signature)	<b>Sangem Renewables Ltd</b>
दुसऱ्या पक्षाचे नाव (Name of the other Party)	
मुद्रांक शुल्क रक्कम (Stamp Duty Amount)	
परवानाधारक मुद्रांक विक्रेत्याची सही JYOTI P. DOOA LSV No. 8000009 6, Kondaji Bldg. No. 3, Nr. Tata Hospital, Parel, Mumbai - 400 012.	
या कारणासाठी ज्याने मुद्रांक खरेदी केला (त्याने) यात कारणासाठी मुद्रांक खरेदी केल्यापासून 3 महिन्यांत यापुढे बंधनकारक आहे.	



महाराष्ट्र MAHARASHTRA

2018

TM 657881

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प्रधान मुद्रांक कार्यालय, मुंबई  
प.मु.वि.क. ८०००००९  
- 5 JUN 2018  
सबम अधिकारी

श्री. एस. एस. पिताळ

THIS STAMP PAPER FORMS AN INTEGRAL PART OF THE SHAREHOLDER'S AGREEMENT EXECUTED ON 10<sup>th</sup> JULY 2018 BY AND BETWEEN ADITYA BIRLA RENEWABLES LIMITED, SANGAM RENEWABLES LIMITED AND WAACOX ENERGY PRIVATE LIMITED.

*[Signature]*  
Aditya Birla Renewables Limited

SANGAM RENEWABLES LIMITED  
MUMBAI  
*[Signature]*

WACOX ENERGY PVT. LTD.  
MUMBAI  
*[Signature]*

जोड़पत्र-१/ANNEXURE - I

<p>मुद्रांक विक्री प्रमाणपत्र / Only For Affixant                  मुद्रांक विक्री करतकी नोंद वही अनु. क्र./दि.                  (Serial No./Date)</p> <p>मुद्रांक विक्रय घेतल्याचे नांव व रहिवासी पत्ता                  Stamp Purchaser Name/Place of Residence &amp; Signature</p>
<p>परबनामाधारक मुद्रांक विक्रेत्याची सध्दे                  JYOTI P. DGOA                  LSV No. 8000009                  6, Kondaji Bldg. No. 3, Nr. Tata                  Hospital, Parel, Mumbai - 400 012.</p>
<p>(आवासीय वास्तू/उद्योग / व्यापारकासाठी प्रविष्टिपत्र घ्याय करणाऱ्याचे मुद्रांक करणाऱ्याचे                  आवकपत्राचे नाव. शहरान आदेश दि. ०१/०४/२०१४ नुसार)                  ज्या करणाऱ्याची त्याची मुद्रांक खरेदी वेळी त्याची स्थाव करणाऱ्याची मुद्रांक खरेदी                  घेतल्यापासून ६ महिन्यात वापरणे बंधनकारक आहे.</p>

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14 JUN 2018

जोड़पत्र-२/ANNEXURE - II

<p>मुद्रांक विक्री नोंद वही अनु. क्रमांक / दिनांक                  Serial No./Date</p>	<p><b>AGREEMENT</b></p>
<p>दस्तावेजा प्रकार / अनुच्छेद क्रमांक                  (Nature of Document)</p>	<p>Aditya Birla Renewables Limited</p>
<p>दस्ता नोंदणी करणार आहेत का ?                  Whether it is to be Registered A-4 Yes/No</p>	<p>Aditya Birla Centre,                  S. K. Adme Marg,                  Worli, Mumbai - 400 030.</p>
<p>मिळवणीचे पौढक्यात उल्लेख                  (Property Description in brief)</p>	<p>S. K. Adme Marg,                  Worli, Mumbai - 400 030.</p>
<p>मुद्रांक विक्रय घेतल्याचे नांव व सध्दे                  (Stamp Purchaser's Name &amp; Signatures)</p>	<p>S. K. Adme Marg,                  Worli, Mumbai - 400 030.</p>
<p>इतर व्यक्ती/ व्यक्ती नांव व पत्ता व सध्दे                  If through other person then Name, Add. &amp; Signatures)</p>	<p></p>
<p>दुसऱ्या व्यक्तीचे नांव                  (Name of the other party)</p>	<p>Gangam Renewables Ltd.</p>
<p>मुद्रांक प्रतिसाद रकम                  (Stamp Duty &amp; Fee)</p>	<p></p>
<p>परबनामाधारक मुद्रांक विक्रेत्याची सध्दे                  JYOTI P. DGOA                  LSV No. 8000009                  6, Kondaji Bldg. No. 3, Nr. Tata                  Hospital, Parel, Mumbai - 400 012.</p>	<p></p>
<p>कारणासाठी त्यांनी मुद्रांक खरेदी वेळी त्यांची स्थाव करणाऱ्याची                  आक खरेदी घेतल्यापासून ६ महिन्यात वापरणे बंधनकारक आहे.</p>	<p></p>



## SHAREHOLDERS' AGREEMENT

This Shareholders' Agreement dated 10<sup>th</sup> July, 2018 ("Agreement") is executed by and between:

1. **ADITYA BIRLA RENEWABLES LIMITED** (CIN: U40300MH2015PLC267263), a company duly incorporated in India under the Companies Act, 2013 and having its registered office at A-4, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai - 400 030 (hereinafter referred to as the "Shareholder 1"), which expression shall include its successors-in-interest and assigns);
2. **SANGAM RENEWABLES LIMITED** (formerly known as Sangam Advisors Limited (CIN: L93000MH1999PLC120470), a company duly incorporated in India under the Companies Act, 1956, having its registered office at 501, Western Edge - I, Western Express Highway, Borivali (E), Mumbai 400066, Maharashtra, India (hereinafter referred to as "Shareholder 2" which expression shall include its successors-in-interest and assigns); and
3. **Waacox Energy Private Limited** (CIN: U40300MH2015PTC268114), a company duly incorporated in India under the Companies Act, 2013 and having its registered office at 501, Western Edge - I, Western Express Highway, Borivali (E), Mumbai 400066, Maharashtra, India (hereinafter referred to as the "Company", which expression shall include its successors-in-interest and permitted assigns).

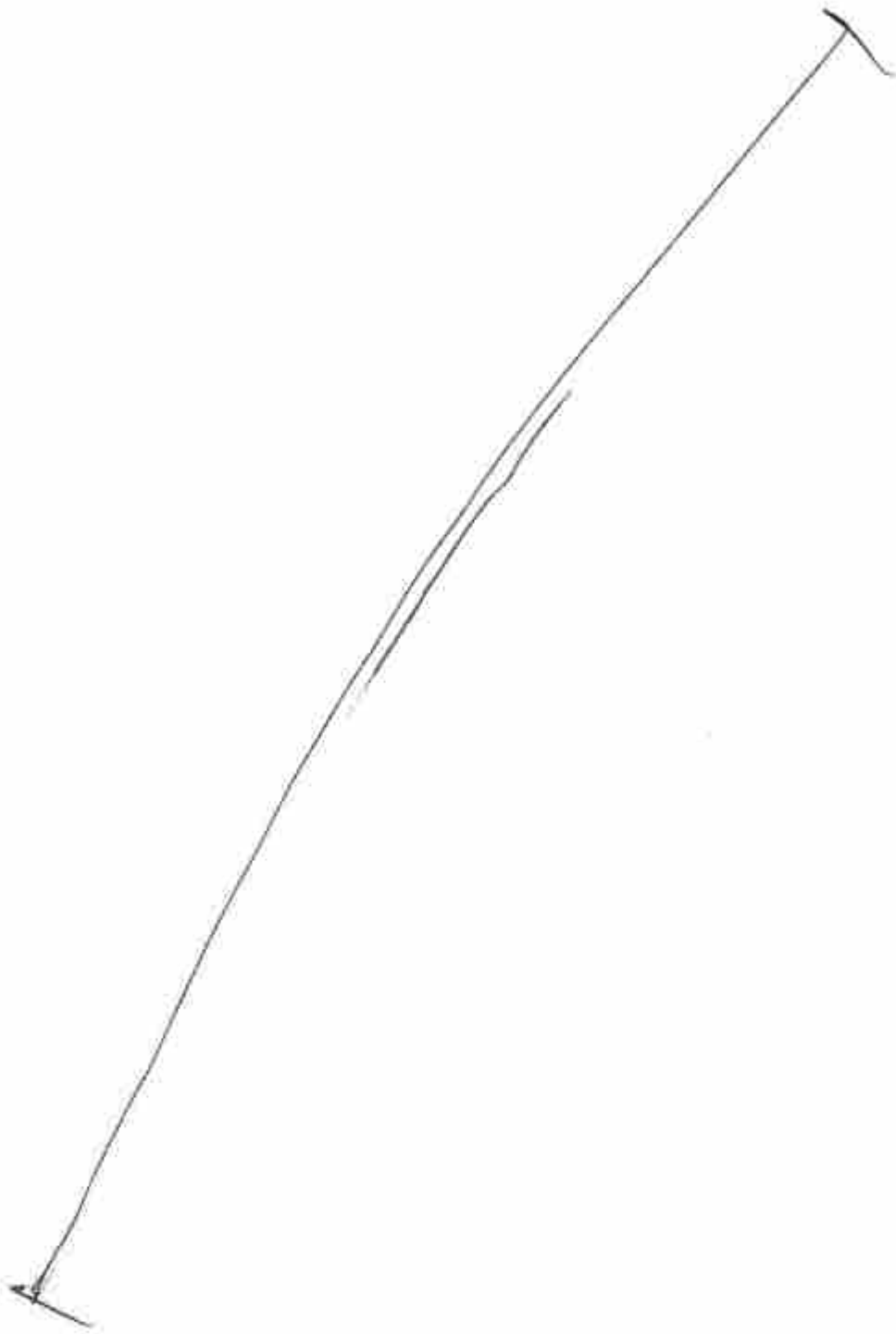
Shareholder 1, Shareholder 2 and the Company above are hereinafter collectively referred to as the "Parties" and individually as a "Party".

### RECITALS:

- A. The Company is engaged in the Business (as defined hereafter).
- B. The authorized, issued and paid-up share capital and the shareholding pattern of the Company as on the Effective Date (as defined hereafter) is as set out in Schedule 2 wherein the Shareholder 1 and Shareholder 2 are shareholders in the said Company in the ratio of 49:51 respectively.
- C. Pursuant to the terms of this Agreement and as permitted under the Law (as defined hereafter), the Shareholder 2 has agreed to sell the Tranche II Shares (as defined hereafter) after 1 (one) year from the Commercial Operation Date (as defined hereafter), of the Projects (as defined hereafter) or such earlier date as agreed between the Parties and subject to the Law, at a price as set out in this Agreement.
- D. The Parties are desirous of entering into this Agreement to set forth (i) the specific mutual understanding and agreement as to the rights and obligations of the Shareholders of the Company with regard to the capitalization, organization,

Shareholder 1	Shareholder 2	Company
		

management and operation of the Company and (ii) the terms and conditions of the purchase and sale of Tranche II Shares.



Shareholder 1	Shareholder 2	Company
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**NOW THEREFORE IT IS AGREED TO BETWEEN THE PARTIES AS FOLLOWS:**

**1. DEFINITIONS**

In this Agreement, unless the context otherwise requires, the below capitalized terms shall have the same meaning as ascribed hereto:

'**Affiliate**' of any specified person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified person and, in relation to a natural person, includes any 'Relative' (as such expression is defined in the Act) of such natural person. For the purposes of this definition, "control" (together with its correlative meanings, "controlled by" and "under common control with") means, with respect to any Person, the possession, directly or indirectly, of power to direct or cause the direction of management or policies of the subject Person through ownership of voting securities or partnership or other ownership interests, of 50% or more.

'**Articles**' means the articles of association of the Company for the time being in force and as amended from time to time.

'**Board**' means the Board of Directors of the Company.

'**Business**' means in relation to the Company the business of developing and operating solar power facilities, as more particularly described in the Memorandum of the Company.

'**Business Day**' means a day other than a Saturday or Sunday on which scheduled banks are open for normal banking transactions in Mumbai.

'**Business Plan**' means the business plan of the Company as prepared, approved and amended from time to time in accordance with this Agreement.

'**Charter Documents**' means the Memorandum and the Articles of the Company.

'**Claims**' means any demand, action, cause of action, actual damages, direct loss, costs, liability or expense, including, without limitation, reasonable professional fees and all costs incurred or suffered in pursuing any of the foregoing or any proceeding relating to any of the foregoing.

'**Commercial Operation Date**' means the actual commissioning date of the last of the Projects under the terms of the PPA executed for such Project.

'**Companies Act**' or '**Act**' means the Companies Act, 2013 or any previous company Law.

'**Closing Actions**' means actions to be performed before or at the First Closing Date and at the Second Closing Date, as the case may be, as stated in Clause 4.

Shareholder 1	Shareholder 2	Company
		



**'Director'** means a director duly appointed to the Board of the Company in accordance with this Agreement, the Act and the Memorandum and Articles.

**'Effective Date'** means the date of execution of this Agreement.

**'Encumbrance'** means:

1. any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest, any third party right (whether legal or equitable) or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Law;
2. any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and
3. any adverse claim as to title, possession or use

over or in respect of the Equity Shares. The expression "Encumber" shall be understood accordingly.

**'EPC Contract'** means the contract proposed to be executed by the Company with Waaree Energies Limited for the appointment of the latter as the contractor for the construction of the Projects.

**'Equity Shares'** means the collective reference to the equity shares of the Company.

**'Financial Year'** means each period of 12 (Twelve) months commencing on 1 April and ending on 31 March which will be the fiscal year of the Company or such other period as the Board or the Shareholders, as the case may be, determine in accordance with Law.

**'First Closing Date'** shall have the meaning ascribed to it in Clause 4.1[a].

**'FIs'** means any financial instrument that may be issued by the Company from time to time on the terms and conditions as decided by the Board.

**'Governmental Authority'** means any government or political subdivision thereof; any department, agency or instrumentality of any government or political subdivision thereof; any court or arbitral tribunal or any regulatory authority in India, including the Reserve Bank of India, Maharashtra State Power Generation Company Limited ("Mahagenco"), Maharashtra Energy Development Agency ("MEDA"), Ministry of New and Renewable Energy ("MNRE") and Maharashtra Electricity Regulatory Commission ("MERC").

**'Governmental Approvals'** means any order, authorization, approval, consent, license or permit required from any Governmental Authority.

Shareholder 1	Shareholder 2	Company
		



'Law' includes all statutes, enactments, ordinances, rules, byelaws, regulations, notifications, guidelines, policies, directions, directives, judgments, Governmental Approvals and orders of court, tribunal, board, or stock exchange.

'Material Adverse Effect' means a material and adverse effect, financial or otherwise, on the Company or its businesses, properties, financial position or the ability of the Parties to comply with their obligations to their creditors or their obligations under this Agreement.

'Memorandum' means the Memorandum of Association of the Company for the time being in force.

'O&M Contract' means the contract proposed to be executed by the Company with Waaree Energies Limited for the appointment of the latter for the operation and maintenance of the Projects

'PPA(s)' means each and all of the power purchase agreements dated 14<sup>th</sup> June, 2018 executed by the Company with Mahagenco for each of the Projects;

'Projects' means the projects identified and listed in Schedule 1;

'Person' means any natural person, firm, company, body corporate, Governmental Authority, joint venture, association, partnership or other entity (whether or not having separate legal personality).

'₹' or 'Rs.' or 'Rupees' means and refers to the lawful currency of the Republic of India from time to time.

'Scheduled Commissioning Date' means the date by which each of the Projects are due to be commissioned as stated in clause 9.01 of the respective PPAs.

'Second Closing Date' shall have the meaning ascribed to it in Clause 3.2

'Securities' means and refers to the Equity Shares, preference shares, and such other securities as may be issued by the Company.

'Share Capital' means the total issued and paid-up equity share capital of the Company comprised of Equity Shares on a fully diluted basis.

'Shareholding' means and refers to the Equity Shares held by a Shareholder in the Company.

'Shareholder' means and refers to the holder of Equity Shares.

'Subsidiary' shall have the meaning given to such expression in section 2(87) of the Companies Act.

Shareholder 1	Shareholder 2	Company
		

'Third Party' means any Person that is not a signatory to this Agreement.

'Tranche II Purchase Consideration' shall have the meaning ascribed to it in Clause 3.3(a).

'Tranche II Shares' means the following shares, together constituting 51% of the Equity Shares as on Effective Date:

Sr. No.	Name of Shareholder	No. of Equity Shares (of Rs. [10] each)
1	Sangam Renewables Limited	5099
2	Mr. Pujan Doshi in the capacity as nominee of Sangam Renewables Limited	01

'Transaction Documents' means this Agreement, EPC Contract, O&M Contract and shall include any other agreement executed *inter alia*, between the Parties for the purposes of the Projects.

## 2. COMMITMENTS OF THE PARTIES

### 2.1 Purpose of the Company and Scope of the Agreement

- (a) The purpose of the Company shall be to undertake and engage in the Business, or such other business as may be decided by the Board, from time to time, and such other activities as may be desirable and proper in furtherance thereof.
- (b) The scope of this Agreement is to set forth between the Parties the terms and conditions to govern the relationship between the Parties in their mutual capacity as Shareholders and to provide for rights and entitlements to the holder of the Equity Shares, and the operations and activities to be carried out by the Company, for the mutual benefit of the Company and the Parties hereto in their capacity as Shareholders.

### 2.2 Other Commitments

- (a) The Shareholder 1 and Shareholder 2 agree to respectively procure that (i) every person for the time being representing it in its capacity as Shareholder, and (ii) every person appointed as a Director in terms of this Agreement will exercise any power to vote or cause the power to vote to be exercised, at any meeting of the Shareholders or the Board, as the case may be, so as to enable the approval of any and every resolution necessary or desirable to procure that the affairs of the Company are conducted in accordance with and

Shareholder 1	Shareholder 2	Company
		

otherwise to give full effect to this Agreement and any other agreement in relation to the Company signed between the Parties or the rights and obligations of the Shareholders, and likewise so as to ensure that no resolution is passed which is not in accordance with such provisions.

- (b) The Parties agree to amend the Charter Documents immediately following the Effective Date, so as to reflect the terms of this Agreement to the extent legally permissible by the Act and Law.

### 3. SALE, PURCHASE AND CORPORATE STRUCTURE

#### 3.1 Existing Capital Structure

As of the Effective Date, the authorized, issued and paid-up Share Capital of the Company as is provided under Schedule 2.

#### 3.2 Sale and Purchase

In accordance with the terms and subject to the conditions of this Agreement, the Shareholder 2 hereby shall sell and Shareholder 1 shall purchase the Tranche II Shares, through itself and its nominees, if any, free from all Encumbrances together with all benefits and rights attached to such Tranche II Shares on a future date which shall occur after one year from the Commercial Operation Date of the said Projects or earlier as agreed between the Parties (subject to Law), such date of the transfer of the Tranche II Shares, hereinafter referred to as the "Second Closing Date". Upon transfer of the Tranche II Shares to Shareholder 1, this Agreement shall stand terminated.

In the event the commissioning of a Project(s) under a PPA(s) is/are delayed beyond three (3) months from its Scheduled Commissioning Date, the Shareholder 1 may at its sole discretion or Shareholder 2 with the consent of Shareholder 1 and with an intent to cause timely completion of the transfer of the Tranche II Shares as herein contemplated and subject to Law, require the Company to (i) transfer only such Project(s) or the relevant PPA(s) to a separate entity/SPV; or (ii) transfer the commissioned Projects to a separate entity/SPV. Notwithstanding such transfer, the Parties shall remain bound by this Agreement and shall give effect to the agreed terms herein for the transfer of the Tranche II Shares. Shareholder 1 may also undertake any other actions to avoid delay in achieving the Second Closing Date and Shareholder 2 shall not unreasonably withhold its consent to such actions.

#### 3.3 Purchase Consideration

- (a) Subject to clause 3.3(b), the consideration for the sale and transfer of the Tranche II Shares by the Shareholder 2 shall be the fair value derived as per valuation report by the valuer appointed as mutually agreed by Shareholder 1 and Shareholder 2 in accordance with the Law ("Tranche II Purchase Consideration").

Shareholder 1	Shareholder 2	Company
		

- (b) The Tranche II Purchase Consideration shall be paid to Shareholder 2 on Second Closing Date subject to transfer of Tranche II Shares to Shareholder 1. For this purpose, Shareholder 2 shall provide the relevant banking instructions to Shareholder 1, at least 5 (five) working days before the Second Closing Date.




**4. CLOSING MECHANISM**

**4.1 Closing(s)**

- (a) The First Closing Date shall be the last day of 90 (ninety) Business days from the Effective Date or such later date as agreed between the Parties in writing ("**First Closing Date**").
- b) Subject to Shareholder 2 obtaining MEDA approvals (on behalf of the Company) for the Projects and the requisite Governmental Approvals if any, as required under Law, the Parties agree that the Second Closing Date shall take place after one year from the Commercial Operation Date of the Projects or such earlier date as agreed by the Shareholders. If the Second Closing Date does not occur within ten (10) days following the completion of one year from the Commercial Operation Date of the Projects, then the Shareholder 1 shall be entitled to exercise the Call Option in the manner described hereinafter in this Agreement. However, if the Second Closing Date does not occur within One Hundred and Eighty (180) days following the completion of one year from the Commercial Operation Date of the Projects, then the Shareholder 2 shall be entitled to require Shareholder 1 to purchase the Tranche II Shares ("**Put Option**") in the manner described hereinafter in this Agreement.

**4.2 Closing Conduct**

- (a) During the period between the Effective Date and the First Closing Date, the Company shall, and the Shareholder 2 undertakes to cause the Company to:
- (i) Provide confirmation/ approval from MERC of the PPAs;
  - (ii) Provide confirmation/ approval from MEDA for each Individual Project;
  - (iii) Sign the EPC Contract for the Projects as per the Project schedules.
- (b) During the period between the Effective Date and the **Second Closing Date**, the Company shall not undertake the below activities and Shareholder 2 shall not cause the Company to undertake or propose to the Board the below activities without the approval of Shareholder 1:
- (i) Conduct any business activities other than the Business;
  - (ii) Make any change in the issued, subscribed or paid-up Share Capital of the Company, including new issuance of shares or other securities,

Shareholder	Shareholder 2	Company
		

issuance of convertible debentures or warrants, or grant of any options over its securities by the Company;

- (iii) Change in key managerial personnel and Board except as provided under this Agreement;
- (iv) Declare dividends or other distributions on, or redeem or repurchase any shares of, any class of its equity or increase any of its obligations with respect to indebtedness;
- (iv) Repay any loans or other amounts outstanding to any Shareholder or any subsidiary or Affiliate except in event of repayment of any loan by Shareholder 2 to Shareholder 1 or its Affiliates; make capital expenditures or make any other cash payments, other than in each case in the ordinary course of Business, consistent with past practice except as agreed & defined in this Agreement;
- (v) Enter into or amend any agreement or incur any commitment which is not related to the Business or which involves or may involve total annual expenditure in excess of Rupees Ten Lakhs [Rs 10,00,000/-], exclusive of tax, or having any term restricting any change of control of the Company;
- (viii) Sell, transfer, assign, mortgage, pledge, hypothecate, grant any security interest in, subject to any other Encumbrance, or otherwise dispose of, any assets of the Company;
- (ix) Adopt, amend or modify any business plan;
- (x) Incur, issue or assume any form of indebtedness in excess of the levels agreed upon with Shareholder 1 in writing;
- (xii) Create or adopt any new or additional equity option plan, or change modify or amend any existing equity option plan;
- (xiii) Settle any litigation;
- (xiv) Enter into any agreement, arrangement, transaction or assignment for intellectual property rights;
- (xv) Dissolve, wind-up or liquidate the Company whether voluntary or involuntary, or restructure or reorganize the same or carry out any other activity that has a similar effect;
- (xvii) Make any material change to the accounting or tax policies, procedures practices of the Company, or appoint or remove the external or statutory auditors of the Company;

Shareholder 1	Shareholder 2	Company
		

- (xviii) Change the registered office or place of domicile of the Company;
- (xix) Further delegate any authority or power relating to any matter contained in this Clause 4.2(b) to any individual or committee, all pre-existing delegate shall comply with this Clause 4.2(b);
- (xx) Maintain its books of account and records other than in the usual, regular and ordinary manner consistent with past policies and practice;
- (xxi) Cause or permit any amendment, supplement, waiver or modification to or the Charter Documents, except as contemplated herein;
- (xxiii) Pass or join in passing or permit passing of any resolution of the Shareholders which is contrary to the provisions of this Agreement and/or Transaction Documents;
- (xxiv) Amend, to any material extent, and in a manner prejudicial to the Company, any of the terms on which goods, facilities or services are supplied, such supplies being material in the context of the Company; and
- (xxv) Take, or commit to take, any action that would result in the occurrence of any of the foregoing.


(c) Notwithstanding anything stated above or in any other Transaction Documents, no action relating to any of the following shall be approved, at any Board or Shareholder meeting or implemented or undertaken by or otherwise proceeded with, in any manner, by the Company except with prior written consent of Shareholder 2:

- (i) other than for reasons of failure of Shareholder 2 to subscribe to any Equity Shares or other securities being issued by the Company towards fund raising under Clause 5, despite availability of requisite funds, any new issuance of shares or other securities by the Company as would cause a change in the shareholding of the Parties as on date, not being securities with an option to convert into Equity Shares, unless the conversion of such securities shall occur on or after the Second Closing Date;

Provided that this Sub Clause (c) shall not operate in the event Shareholder 2 breaches its obligations in relation to Second Closing Actions.

**4.3 Second Closing Actions**

(a) Subject to the terms of this Agreement, on the Second Closing Date the following

Shareholder 1	Shareholder 2	Company
		



actions and transactions shall be consummated simultaneously:

- (i) The Parties shall provide copies of duly authorized resolutions approving the transfer/acquisition by it, as the case may be, of the Tranche II Shares.
  - (ii) Shareholder 1 shall remit the Tranche II Purchase Consideration to Shareholder 2;
  - (iii) Shareholder 2 shall hand over the resignation letter of their existing nominee director(s) appointed on the Board;
  - (iv) Shareholder 2 shall, simultaneous to receiving a credit of the Tranche II Purchase Consideration to its designated bank account, where the Tranche II Shares or any of them are in physical form, provide to the Shareholder 1:
    - i. the original share certificates representing the Tranche II Shares; and
    - ii. the duly executed and stamped share transfer deeds with respect to the Tranche II Shares;
  - (v) If the Tranche II Shares are in dematerialized form, Shareholder 2 shall provide a written delivery instruction slip duly completed and signed by it addressed to its depository participant, for the transfer and credit of the Tranche II Shares to the demat account of the Shareholder 1, whose details shall previously have been furnished to it;
  - (vi) Shareholder 1 shall cause the Company to duly convene a board meeting, and the Company shall (A) duly approve and take on record the transfer of the Tranche II Shares in favour of Shareholder 1 and the resignation of the nominee director(s) of Shareholder 2 appointed on the Board of Directors; (B) revoke any authorisations given to Shareholder 2 or any of its authorised representatives and (C) authorising an authorised representative of the Company to make the necessary entries in its statutory registers to record the foregoing actions and make necessary filings with the jurisdictional Registrar of Companies.
- (b) The Parties shall take all measures as may be required to ensure that all the events contemplated under Clause 4.3 (a) are initiated and completed on the Second Closing Date. Once all events stated in Clause 4.3 are completed but not on the same day, the Second Closing Date shall have occurred on the day the last event is completed. Upon failure of Shareholder 2 to complete the actions required to be undertaken by it on Second Closing Date (other than due to non-performance by Shareholder 1 to perform its corresponding obligations as on such date), it shall be considered as an event of default by Shareholder 2 as per Clause 11.1(b)
- (c) Shareholder 2 covenant and agree, on or prior to the Second Closing Date, to execute and deliver to the Company, for the benefit of the Company, a general release and discharge, in form and substance satisfactory to the Shareholder 1,

Shareholder 1	Shareholder 2	Company
		



releasing and discharging the Company from any and all obligations including to indemnify Shareholder 2 or its Affiliates or otherwise hold any of them harmless pursuant to any agreement or other arrangement entered into prior to the Second Closing Date.

- (d) Post the Second Closing Date the Parties shall undertake the below activities
- i) the Company shall undertake the required filings with the jurisdictional Registrar of Companies within the time allotted under applicable law;
  - ii) Shareholder 2 shall procure that the resigning nominee directors duly file e-Form DIR-11 with the jurisdictional Registrar of Companies within 15 (fifteen) Business Days from the Second Closing Date.

**5. FUNDING OF THE COMPANY**

**5.1 Funding of the Company**

- (a) The Parties have discussed and agreed that any additional funding required for the development of the Projects shall be met through prudent industry practices including by way of issuance of additional shares in the ratio of shareholding in the Company or convertible and non-convertible securities or any other financial instruments or debt or loan from bank or any financial institution or any other Person. Without prejudice to the other means of fund raising as elaborated in this Clause 5.1 (a), any issue of Equity Shares or other securities convertible into Equity Shares shall only be made by way of a rights issue, with each Shareholder 1 and Shareholder 2 being entitled to subscribe to and be allotted Equity Shares in the Company in the same proportion as their Shareholding as on the Effective Date (viz 49:51). It is agreed between the Parties that such amounts as the Governmental Authority requires to be raised only as share capital in relation the Projects shall be raised through an issuance of equity shares on a rights basis to the Shareholder 1 and Shareholder 2, in the same proportion as their existing shareholding as on the Effective Date. However, the Company may at any time during the subsistence of this Agreement issue Securities with an option to convert into equity shares other than on a rights issue basis, provided that conversion of such securities occurs on a date on or after the Second Closing Date.
- (b) In the event the Company fails to raise additional funds through prudent industry practices through non-recourse debt (as set forth in Clause 5.2 below), the Board will be entitled to require such funding by Shareholder 1. Such funding will be provided by Shareholder 1 at its sole discretion, through subscription to OCDS/OCPS/FIs or any other Securities.
- (c) Within 15 (Fifteen) Business Days of receipt of a notice from the Board requiring such funding, Shareholder 1 may, at its sole discretion, provide such funding ("Funding Amount") to the Company and the Company will issue OCDS/OCPS/FIs or any other Securities to Shareholder 1 by a resolution of the

Shareholder 1	Shareholder 2	Company
		

Board.

**5.2 Repayment of Loans**

The Company shall repay the borrowings availed by it to the respective banks, financial institutions or other Third Parties, along with all accumulated interest and other accrued costs, from the distributable cash flows of the Company.

**6. MANAGEMENT OF THE COMPANY**

**6.1 Management of the Company to vest with the Board of Directors**

- (a) Subject to the rights of the Parties contained in the Articles and this Agreement, the powers of management of the Company shall vest with the Board and the Board shall be responsible for the overall direction and supervision of the management of the Company. The Parties further acknowledge that the day to day management of the Company shall be carried out in the manner decided by the Board.
- (b) Subject to the provisions of this Agreement, the Parties agree that the business and affairs of the Company shall be conducted and managed solely by the Board. The Board shall have all power conferred by the Act, including powers to conduct the business of the Company and the power to appoint officers of the Company and delegate to such officers the power to perform any of the acts that Board is authorized to perform, including, without limitation, the power to execute and deliver documents on behalf of the Company.
- (c) The Board shall meet periodically to review the performance of the Projects.
- (d) The Board may also appoint committees for the management of the Company and the provisions of this Clause 6.1 (including without limitation, representation, notice and quorum requirements) shall apply to such committees as well.

**6.2 Composition of the Board**

- (a) Subject to the provisions of the Act, the composition of the Board shall be five (5) Directors (or such other number as agreed between the Parties), of whom 2 (two) Directors shall be Independent Directors, one of whom is on the board of directors of Shareholder 2 as an independent director. The remaining Directors shall be appointed as proposed and agreed by the Shareholders so as to draw from each Shareholder, the best of the manpower resources it can offer for steering the Business and also to afford due representation to either Shareholder at the Board.
- (b) The Chairman of the Board shall be a Director appointed by Shareholder 1.

Shareholder 1	Shareholder 2	Company
		

**6.3 Appointment and Removal of Directors**

- (a) The Shareholders agree to use their respective voting power in the Company to ensure that the Board is constituted by persons in the manner set out in this Agreement and subject to Law.
- (b) Except where a Director is required by applicable Law to vacate office, no Director shall be removed during the term for which such Director was elected without the consent of the Shareholder which recommended the appointment of such Director on the Board.
- (c) A Shareholder may ask for removal, substitution or recall for any reason, of any of the Directors recommended by such Shareholder and such Director shall be bound by the direction of removal, substitution or recall. Each Shareholder agrees to cooperate with the other Shareholders in convening a meeting of the Shareholders of the Company to effect such removal and to vote in favour thereof, if so required.

**6.4 Proceedings of the Board**

- (a) Meetings of the Board.

The Company shall hold at least four (4) meetings of its Board in each calendar year with a maximum interval of one hundred and twenty (120) days between any two (2) consecutive meetings. The Directors may adjourn or otherwise regulate their meetings and proceedings as they may deem fit. The meetings of the Board shall be called by the company secretary of the Company or where there is no company secretary, any Director or any other person authorised by the Board for the purpose. Notice convening a meeting shall be given at least seven days before the date of the meeting, unless the Act prescribes a longer period. If permitted by Law, the Directors may attend a Board meeting through videoconferencing. Decisions at such Board meetings shall be taken by majority votes and in case of an equality of votes, the chairman of the Board shall have the veto right.

- (b) Quorum

The quorum for a meeting of the Board shall be 1/3 (One-Third) of its total strength of the Board (any fraction contained in the above one-third shall be rounded off to the next one), or 2 (Two) Directors, whichever is higher. If in the absence of a valid quorum as above within thirty (30) minutes at a meeting of the Board, the meeting shall automatically stand adjourned to the same day in the next week, at the same time and place or, if that day is a national holiday under applicable Law, to the next succeeding day which is not a national holiday, at the same time and place by a written notice to all Directors, and the above Quorum shall apply to such adjourned meetings.

Shareholder 1	Shareholder 2	Company
		

**6.5 Original Documents.**

The original title documents pertaining to the the original plans, all Government Approvals or consents or licenses pertaining to the Company and/or to the Project and all other related documents of the Company shall be kept with the Company and a director of Shareholder 1 shall be entrusted with the responsibility of its safe custody.

**6.6 Bank Signatories**

All signatories on bank accounts of the Company shall be as decided by the Board.

**7. SHAREHOLDERS' MEETINGS**

**7.1 Meetings**

Meetings of the Shareholders shall be in accordance with the Act and the Articles, and if not provided therein, as otherwise determined pursuant to applicable Law, and shall be held at the registered office of the Company or at the place designated in the notice issued by the Company to the Shareholders.

**7.2 Quorum**

The quorum for a meeting of the Shareholders shall be in accordance with the Act, provided that, no meeting of the Shareholders shall be validly quorate unless 1 (one) authorized representative of Shareholder 1 and 1(one) authorised representative of Shareholder 2 is present at the commencement and throughout such meeting of the Shareholders. If in the absence of a valid quorum as above within thirty (30) minutes at a meeting of the Shareholders, the meeting shall be adjourned to a date and time 7 (seven) days after the time of the original meeting and at the same place as the original meeting. The quorum at such adjourned meeting of the Shareholders shall require the presence of 1 (one) authorized representative of Shareholder 1 and 1(one) authorised representative of Shareholder 2 and no business transacted at such meeting in the absence of above quorum, shall be regarded as having been validly transacted.

**7.3 Shareholder Voting Power & Resolutions**

- (a) Each Equity Share shall carry 1 (one) vote.
- (b) A resolution of the Shareholders, whether considered at a meeting of the Shareholders or through postal ballot, shall be adopted with simple majority of the Shareholders unless otherwise required by Law. Further, the Shareholders agree that if an authorized representative of a Shareholder has voted in favour of a matter at the Board, such Shareholder shall always exercise its voting rights as a Shareholder to vote in favour of the resolution required to be passed under Law by the Shareholders and in respect of such

Shareholder 1	Shareholder 2	Company
		

matter.

- (c) Each Shareholder agrees to exercise its voting rights as a Shareholder to fully and effectually implement the spirit, intent and specific provisions of the Law and this Agreement and any other voting agreements or similar arrangements entered into or to be entered into by and amongst the Shareholders, including, without limitation, to support the appointment of a Director proposed for appointment by the Shareholder 1. The Shareholders expressly agree and undertake to cooperate with each other in the management, administration and affairs of the Company and the operation of the business and at all times to exercise their voting rights, or to cause their separate representatives or proxies who may exercise such voting rights on their behalf, at any Shareholder meeting hereunder in a manner that shall give effect to and comply with the provisions of this Agreement and any other voting agreements or similar arrangements entered into by and amongst the Shareholders.

## 8. SHARE TRANSFERS AND CALL OPTION

- 8.1 Neither Shareholder shall during the subsistence of this Agreement, transfer or attempt to transfer any Equity Shares held by it (or by its nominees holding Equity Shares as Shareholders) or any right, title or interest therein or thereto without the prior written consent of the other Parties, for until one(1) year following the Commercial Operation Date. The Company shall restrict any such transfer or attempt to transfer by any Shareholder. No Party shall achieve what is restricted hereinabove by causing a transfer of its shareholding or any change in its constitution. Nothing in the foregoing shall restrict (i) Shareholder 1 to transfer its Equity Shares to companies of the Aditya Birla Group, so long as there is no change in the ultimate beneficial holder thereof; and (ii) the Shareholder 2 to re-align the Shareholding herein within its group companies, so long as there is no breach thereby of the PPAs executed by it for the Projects and such re-alignment is undertaken with prior consultation with the Shareholder 1 on the permissibility thereof under the PPAs.
- 8.2 The Shareholder 1 shall have the right to require the Shareholder 2 to transfer all (but not less than all) of the Equity Shares then held by it to Shareholder 1 ("Call Option") by serving unto the Shareholder 2 a duly completed and executed Call Option exercise notice ("Call Option Notice") on or after one year from Commercial Operation Date or in the Event of Default as stated in this Agreement. Pursuant to such exercise of the Call Option, the Shareholder 2 shall be obliged to transfer and assign to Shareholder 1 and Shareholder 1 (and/or its nominee) shall be obliged to purchase, all the Equity Shares held as on such date by Shareholder 2, within 7 (seven) business days of the issuance of the Call Option Notice at a fair market value derived as per the valuation report by a valuer appointed by the Party exercising such option in accordance with the Law or at an amount equal to the actual investment made by the Shareholder 2 towards the Tranche II Shares, whichever is higher. It is understood and agreed between the Parties that all and any stamp duty (as may be applicable) payable on the transfer of the Equity Shares pursuant to this Clause 8 shall be borne by Shareholder

Shareholder 1	Shareholder 2	Company
		



1. Pursuant to the transfer stated in this Clause 8, the Shareholders shall undertake the actions listed under Second Closing Date actions set out in Clause 4.3. In case the Second Closing is a result of the Call Option exercised under Clause 11.1(b) by Shareholder 1, the consideration payable therefor shall be equal to the fair market value derived as per the valuation report by a valuer appointed by the Party exercising such option in accordance with the Law or at an amount equal to the actual investment made by the Shareholder 2 towards the Tranche II Shares, whichever is higher.

## 9. COMPLIANCE WITH LAW

The Parties agree that the Company will adhere to Law including all policies, guidelines and applicable requirements of Mahagenco, MERC and MEDA relating to solar power projects. Any legal issues or non-compliances shall be reported to the Board which shall also be kept updated on remedial actions therefor.

Further, all disclosures shall be made by the Company to the Shareholder 2 within the time periods applicable under Law to enable Shareholder 2 to fulfil its listing obligations.

## 10. RESOLUTION OF DISPUTES; ARBITRATION

### 10.1 No proceedings

All disputes (including those pertaining to the validity, interpretation, implementation or alleged material breach of any provision of this Agreement or regarding a question including the questions as to whether the termination of this Agreement by one Party hereto has been legitimate) arising out of this Agreement (a "Dispute") shall be referred to arbitration in accordance with the provisions of this Clause 10. A Party must not start arbitration (except interim proceedings seeking interlocutory relief) in respect of a Dispute unless it has complied with this Clause 10.

### 10.2 Notification of Dispute

A Shareholder claiming that a Dispute has arisen must notify the Company and the other Shareholder of the Dispute giving details of the Dispute.

### 10.3 Arbitration clause

- (a) If the Dispute is not resolved through consultations within 15 days, the Dispute shall be referred to and settled through binding arbitration as per the provisions of the Arbitration and Conciliation Act, 1996 by an arbitral tribunal constituted as herein.
- (b) The arbitration shall be conducted as follows:
  - (i) All proceedings in any such arbitration shall be conducted in English.

Shareholder 1	Shareholder 2	Company
		

The venue of the arbitration proceedings shall be Mumbai.

- (ii) Each Shareholder shall appoint 1 (one) arbitrator and the arbitrators so appointed shall appoint a third arbitrator.
- (iii) The arbitrator panel shall be free to award costs as they think appropriate.
- (iv) The arbitration award shall be final and binding on the Parties, and the Parties agree to be bound thereby and to act accordingly.
- (v) Judgment upon any arbitral award rendered hereunder may be entered in any court 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.

## 11. DEFAULT

### 11.1 Events of Default

- (a) An event of default occurs in respect of any actions or omissions of Shareholder 1 ("**Defaulting Shareholder**") in any of the below circumstances:
  - (i) the Defaulting Shareholder breaches its obligations under this Agreement for the acquisition of the Tranche II Shares;
  - (ii) The Defaulting Shareholder breaches the material terms of this Agreement including but not limited to Clause 4.2(c).(each the aforesaid, "an event of default").
- (b) An event of default occurs in respect of any actions or omissions of a Shareholder 2 ("**Defaulting Shareholder**") in any of the below circumstances:
  - (i) the Defaulting Shareholder breaches its obligations towards the Closing Actions provided under Clause 4.3;
  - (ii) The Defaulting Shareholder breaches the material terms of this Agreement including but not limited to Clause 4.2(b).(each the aforesaid, "an event of default").

### 11.2 Consequences of default

- (a) In the event of the occurrence of an event of default by a Shareholder, the other Shareholder ("**Non-Defaulting Shareholder**") shall be entitled to give a notice of the alleged event of default ("**Determination Notice**") to the Defaulting Shareholder.
- (b) The Defaulting Shareholder shall have a period of 30 (Thirty) days from the receipt of the Determination Notice (or such further period as the Non-Defaulting Shareholder may agree in writing) to rectify the event of default or

Shareholder 1	Shareholder 2	Company
		



to cause it to cease ("Rectification Period").

- (c) Upon the occurrence of an event of default that continues even upon expiry of the Rectification Period, Shareholder 2 shall in good faith refer the event of default to an authorized representative nominated by it and Shareholder 1 shall in good faith refer the event of default to an authorized representative nominated by it. In the event that the Shareholders' authorized representatives are unable to arrive at a mutually acceptable resolution pursuant to such discussions between the Shareholders within ten (10) days, the Parties shall refer the event of default to their respective chairmen or their senior representatives to arrive at a mutually acceptable resolution through discussions and negotiations to be held as soon as practicable after such event of default arises but not later than sixty (60) days from the date of the Determination Notice.
- (d) If the Parties are unable to arrive at a mutually acceptable resolution within the said sixty (60) day period then the below consequences shall follow:
- i) In case there is a default arising solely from failure on part of Shareholder 2 to undertake the activities listed for the First Closing Date, it is agreed that this Agreement may be terminated by Shareholder 1 and on such termination the Shareholder 2 shall be liable to:
    - a. Refund the entire cost actually incurred by Shareholder 1 for the said Projects in the Company, including under the EPC Contract;
    - b. Purchase the 49% equity shares held by Shareholder 1 in the Company at the fair value derived as per the valuation report produced in accordance with Law. In any event, the consideration paid by Shareholder 2 to Shareholder 1 shall not be lower than the original cost of acquisition of the shares; ; and
    - c. Refund all such other costs, liabilities, expenses incurred by Shareholder 1 under any other Transaction Document.
  - ii) In case there is a breach solely on part of (i) Shareholder 2 to undertake the actions listed under the Second Closing Actions and / or (ii) Shareholder 2 to fulfill the terms of this Agreement and terms of the Transaction Documents, it is agreed that Shareholder 1 shall have a right to exercise its Call Option provided under this Agreement. Similarly, Shareholder 2 shall have the right to exercise its Put Option for failure solely by Shareholder 1 to (i) undertake purchase of the Tranche II Shares within 18 (eighteen) months from the Commercial Operation Date and / or (ii) Shareholder 1 or any of its Affiliates to fulfill the terms of this Agreement and terms of the Transaction Documents, and in such event of Shareholder 2 exercising the Put Option, it is agreed that Shareholder 1 shall be liable to purchase the Tranche II Shares and consideration payable thereof shall be the

Shareholder 1	Shareholder 2	Company
		

Tranche II Purchase Consideration.

**12. REPRESENTATIONS AND WARRANTIES**

**12.1 Representations and Warranties of Parties.**

- (a) Shareholder 1 warrants to the Shareholder 2 that the Shareholder 1 Warranties as provided in Schedule 4 are true and accurate as on the Effective Date.
- (b) The Company warrants to the Shareholders that the Company Warranties as provided in Schedule 3 are true and accurate as on the Effective Date.
- (c) Shareholder 2 warrants to Shareholder 1 that the Shareholder 2 Warranties as provided in Schedule 5 are true and accurate as on the Effective Date.

**13. INDEMNITY**

**13.1 Indemnification**

- (a) Each Shareholder ("Indemnifying Party") hereby irrevocably and unconditionally agrees to indemnify and hold the other Shareholder ("Indemnified Party") harmless from and against any and all liabilities, losses, damages, costs, Claims, actions, proceedings, judgments, settlements, expenses or the like (collectively "Loss") which are suffered or incurred directly, but not consequentially, by the Indemnified Party as a result of any misrepresentation or breach of any representation or warranty made by Indemnifying Party in this Agreement or non-fulfillment of or failure to perform any Closing Actions or covenant or obligation or agreement or undertaking contained in this Agreement by the Indemnifying Party. Other than for reasons of suppression, fraud and willful default in no circumstances shall the total amount required to be paid by a Shareholder towards its indemnification obligation herein exceed 20% of the amounts invested by the Indemnifying Party towards its Shareholding in the Company as on such date. It is agreed between the Parties that all indemnity claims shall be paid within 5 (five) Business Days, unless disputed, which dispute shall be referred to dispute resolution under the Agreement.
- (b) The Indemnifying Party shall submit the claim once the aggregate amount of all individual claims exceeds Rs. 5,00,000 (Rupees Five Lakhs). The indemnification provisions relating to raising of the claim under indemnity herein shall cease to operate on termination of this Agreement.
- (c) However, indemnification arising by fraud, willful default and suppression of information shall survive termination of this Agreement, provided that any claim shall be made within 12(twelve) months from the date of occurrence of

Shareholder 1	Shareholder 2	Company
		

such event leading to such indemnification or from the date on which knowledge of the same was gained by the indemnified Parties but no later.

**14. CONFLICT WITH CONSTITUTION**

The Memorandum and Articles shall be suitably altered, in a manner acceptable to Shareholder 1, so that it conforms to the terms of this Agreement.

If there is any conflict between the provision of this Agreement and any other Transaction Documents and the Memorandum and Articles, the Shareholders shall take all necessary steps to amend any inconsistency in the Memorandum and Articles of the Company.

**15. RELATIONSHIP**

This Agreement does not create a relationship of employment, agency or partnership between the Shareholders.

**16. FURTHER ACTION**

Each Shareholder must use its best efforts to do all things necessary or desirable to give full effect to this Agreement.

**17. COSTS**

Each Shareholder must bear its own costs for the preparation and execution of this Agreement. Stamp Duty on this Agreement shall be shared equally between the Parties.

**18. ASSIGNMENT**

No right, benefit, interest or obligation under this Agreement may be assigned or transferred by any Party or by operation of Law or otherwise without the prior written consent of the other Parties except as otherwise expressly permitted under this Agreement. However any assignment made by Shareholder 1 within the companies of the Aditya Birla Group and by Shareholder 2 to its group companies (as permitted in either case under Clause 8.1) shall be permitted.

**19. WAIVER**

**19.1 No Waiver**

The failure of a Shareholder at any time to require performance of any obligation under this Agreement is not a waiver of that Shareholder's right:

Shareholder 1	Shareholder 2	Company
		

- (a) to the exercise of its rights under this Agreement for breach of that obligation; and
- (b) at any other time to require performance of that or any other obligation under this Agreement,

unless written notice to that effect is given.

**19.2 Waiver in writing**

Waiver of any provision of or right under this Agreement:

- (a) must be in writing signed by the Party entitled to the benefit of that provision or right; and
- (b) is effective only to the extent set out in any written waiver.

**20. GOVERNING LAW**

**20.1** This Agreement is governed by the Laws of India and subject to Clause 10, the courts of Mumbai shall have exclusive jurisdiction.

**21. NOTICES**

**21.1** Any notices, requests, demands or other communication required or permitted to be given under this Agreement (hereinafter referred to as the "Notice") shall be written in English and shall be delivered by courier or transmitted by facsimile and properly addressed as follows, and such notice given by courier or facsimile to be simultaneously given by email as well:

(a) In the case of Notices to the Shareholder 1:

Attention: Mr Pawan Jain  
 Facsimile: 022-66525841  
 E mail: pawan.k.jain@adityabirla.com  
 Address: Aditya Birla Centre, C Wing, 4<sup>th</sup> Floor, S K Ahire Marg  
 Worli, Mumbai - 400030

(b) In the case of Notices to Shareholder 2

Attention: Mr. Mayank Shah  
 Tel: 022-43331500  
 Email: mayankshah@sangamrenew.com  
 Address: 501, Western Edge - I, Western Express Highway, Borivali (E),  
 Mumbai 400066, Maharashtra, India

(c) In the case of Notices to the Company

Shareholder 1	Shareholder 2	Company
		

Attention: Mr. Pujan Doshi  
Tel: 022-43331500  
Email: pujandoshi@sangamrenew.com  
Address: 501, Western Edge - I, Western Express Highway, Borivali (E),  
Mumbai 400066, Maharashtra, India

or at such other address as the Party to whom such Notices are to be given shall have last notified the Party giving the same in the manner provided in this Clause 21.1, but no such change of address shall be deemed to have been given until it is actually received by the Party sought to be charged with the knowledge of its contents. Unless there is evidence that it was received earlier, any Notice delivered to the Party to whom it is addressed as provided in this Clause 21.1 shall be deemed to have been given and received (i) if delivered by courier, within four (4) days of the dispatch of the said notice by courier, and (ii) if delivered by fax, when confirmation of its transmission has been recorded by the sender's fax machine; provided however that in case notices are given by fax or courier, the Notice shall also simultaneously be given by email.

**22. SEVERABILITY**

A provision contained in this Agreement is enforceable independently of each of the others and its validity will not in any way be affected by the invalidity or unenforceability of any other provision hereof.

**23. ALTERATION**

This Agreement may be amended only in writing signed by each Party.

**24. PRIOR DOCUMENTS**

This Agreement read with Transaction Documents constitutes the whole agreement between the Parties relating to the subject matter hereof and supersedes any prior agreements, arrangements or understandings, whether oral or written, relating to such subject matter.

**25. PRIVACY OF CONTRACT**

This Agreement may be enforced only by a Party.

**26. COUNTERPARTS**

This Agreement may be executed simultaneously in 3 (three) counterparts each of which shall be deemed to be an original but all of which shall constitute the same instrument.

**27. REMEDIES**

Shareholder 1	Shareholder 2	Company
		

No remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy which is otherwise available at Law, in equity, by statute or otherwise, and each and every other remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at Law, in equity, by statute or otherwise. The election of any one or more of such remedies by a Party shall not constitute a waiver by such Party of the right to pursue any other available remedies.

**28. SURVIVING PROVISION**

The termination of this Agreement shall not terminate the provisions of Clause [1] (Definitions), Clause [2] (Principles of Interpretation), Clause [13.1 (c)] (Indemnification), Clause [10] (Resolution of Disputes; Arbitration), and Clause [20] (Governing Law).

**29. INTERPRETATION**

In this Agreement, unless the contrary intention appears:

- (a) headings are for ease of reference only and do not affect the meaning of this Agreement;
- (b) the singular includes the plural and vice versa and words importing a gender include other genders;
- (c) other grammatical forms of defined words or expressions have corresponding meanings;
- (d) a reference to a Clause, Sub-clause or Schedule is a reference to a Clause or Sub-clause of or Schedule to this Agreement and a reference to this Agreement includes any Schedules;
- (e) a reference to a document or agreement, including this Agreement, includes a reference to that document or agreement as novated, altered or replaced from time to time;
- (f) a reference to a specific time for the performance of an obligation is a reference to that time in the country, province, state, territory or other place where that obligation is to be performed;
- (g) a reference to a Party includes its executors, administrators, successors and permitted assigns;
- (h) words and expressions importing natural persons include partnerships, bodies corporate, associations, governments and governmental and local authorities and agencies; and

Shareholder 1	Shareholder 2	Company
		

- (i) a reference to a statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time before the date of this Agreement and any subordinate legislation made under the statutory provision (as so modified or re-enacted) before the date of this Agreement.

*[Signature page follows]*



Shareholder 1	Shareholder 2	Company
		

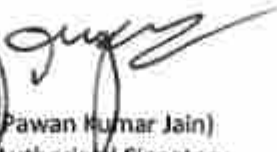


IN WITNESS WHEREOF the Parties hereto have set and subscribed their respective hands on the day and the year first hereinbefore written.

SIGNED and DELIVERED for and on behalf of  
**Aditya Birla Renewables Limited (Shareholder 1)**

By: (Bhawinder Khanna)  
Title: Director



  
Pawan Kumar Jain  
Authorised Signatory

SIGNED and DELIVERED for and on behalf of  
**Sangam Renewables Limited (Shareholder 2)**

By: (Mayank Shah)  
Title: Managing Director



SIGNED and DELIVERED for and on behalf of the Company

**Waacox Energy Private Limited (Company)**

By: (Pujan Doshi)  
Title: Director



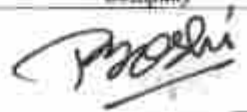


Shareholder 1	Shareholder 2	Company
		

**SCHEDULE 1**

**Projects**

S N	VILLAGE	TALUKA	DISTRICT	EVACUATION SUBSTATION	MW (AC)
1	Ralegansiddhi	Parner	Ahmednagar	33/11 KV Ralegansiddhi	2
2	Manjarda	Yavatmal	Yavatmal	33/11 KV Kolambi	2
3	Ranjangaon Mashid	Parner	Ahmednagar	33/11 KV Pimplici Gawli	7
4	Mhase Khurd	Parner	Ahmednagar	33/11 KV Ralegan Therpal	9
5	Kathpal	Sangola	Solapur	33/11 KV Kathpal	6
6	Gaygavhan	Sangola	Solapur	33/11 KV Gaygavhan	7
7	Sakharewadi	North Solapur	Solapur	33/11 KV Kalman	5
8	Lahul (Gat 715)	Madha	Solapur	33/11 KV Padsali	5
9	Jadhavwadi	Madha	Solapur	33/11 KV Aran	8
10	Lahul (Gat 416)	Madha	Solapur	33/11 KV Bend	3
11	Nandangaonpeth-2 (Shevati)	Nandangaonpeth	Amravati	33/11 KV Nandangaonpeth	5
12	Anjangaon Bari	Amravati	Amravati	33/11 KV Anjangaon Bari	6
13	Gavhankund	Warud	Amravati	132/33 KV Warud	20
14	Yerad	Yavatmal	Yavatmal	33/11 KV Jodmoha	3
15	Yeoti	Yavatmal	Yavatmal	33/11 KV Kolambi	7
16	Dolamba	Yavatmal	Yavatmal	33/11 KV Yavatmal	2
17	Bhojapur	Kuhi	Nagpur	33/11 KV Kuhi	2
18	Bhivapur	Bhivapur	Nagpur	33/11 KV Bhivapur	2
19	Mangrulzanak	Risod	Bhandara	33/11 KV Mangrulzanak	3
20	Vadalibhoi	Chandwad	Nashik	33/11 KV Vadalibhoi	8
21	Vadgaon Pangu	Chandwad	Nashik	33/11 KV Vadgaon Pangu	4
22	Vinchur	Niphad	Nashik	33/11 KV Vinchur	3
23	Vadnagali	Sinnar	Nashik	33/11 KV Vadnagali	5
24	Jaitane	Sakri	Dhule	33/11 KV Jaitane	9
25	Lamkani	Dhule	Dhule	33/11 KV Lambkani	8
26	Nimgul	Sindkheda	Dhule	33/11 KV Nimgul	5
27	Holmohida	Shahada	Nandurbar	33/11 KV Mohidhe	8

Shareholder 1	Shareholder 2	Company
		

**SCHEDULE 2**

**TOTAL AUTHORISED, ISSUED AND PAID UP SHARE CAPITAL OF THE COMPANY AS OF THE EFFECTIVE DATE**

Authorised, Issued and Paid Up Share Capital of the Company as on the Effective Date

Authorised Capital : Rs 1,00,000

Issued Capital: Rs 1,00,000

Païd Up Capital: Rs 1,00,000

**SHAREHOLDING PATTERN OF THE COMPANY AS OF THE EFFECTIVE DATE**

Sr. No.	Name of Shareholder	No. of Equity Shares (of Rs. 10/- each)	Shareholding (%)
1	Sangam Renewables Limited	5099	50.99%
2	Aditya Birla Renewables Limited	4900	49%
3	Mr. Pujan Doshi in the capacity as nominee of Sangam Renewables Limited	1	.01%

Shareholder 1	Shareholder 2	Company
		

**SCHEDULE 3**

**COMPANY WARRANTIES**

**1. Existence and Ability**

- 1.1. The Company is a company duly incorporated and validly existing under the laws of India and is in good standing with all Governmental Authorities having jurisdiction over it.
- 1.2. The Company has all corporate powers and all applicable Governmental Approvals, if any required, to own its property and to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates. No adverse effect is reasonably expected to occur from the absence/ lack of any such Governmental Approval.
- 1.3. The execution and delivery of, and the performance of obligations under and compliance with the provisions of, this Agreement and the other agreements by the Company will not result in a breach of, or constitute a default under, any, agreement or instrument to which the Company is party or by which the Company is bound.

**2. Share Capital**

- 2.1. The total authorized, issued and paid up Share Capital of the Company listed in [ ] is validly issued, fully paid and non-assessable. None of the Share Capital was issued in violation of any preemptive rights. The Company has not issued any preference shares or securities of any other kind, other than the Equity Shares. There are no outstanding contractual obligations of the Company to repurchase, redeem or otherwise acquire any Equity Shares or to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any other Person. As per the records of the Company, the Shareholders own the Equity Shares free and clear of all Encumbrances. Upon consummation of the transactions contemplated by this Agreement and registration of the Tranche II Shares in name of the Shareholder 1 in the share registers of the Company, the Shareholder 1, assuming it shall have purchased the Tranche II Shares will own all the Equity Shares free and clear of all Encumbrances. As per records of the Company there are no voting trusts, shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Equity Shares.

**2. Power and Authority**

The Company has the full legal right, capacity and authority to enter into this Agreement and this Agreement constitutes a legal, valid and binding obligation of the Company. The Company has the corporate power and authority to execute and deliver the terms and provisions of this Agreement and has taken all necessary corporate action to authorize the execution and delivery by it of this Agreement and the transactions contemplated hereby.

Shareholder 1	Shareholder 2	Company
		

**3. No Violation**

The execution, delivery and performance by the Company of this Agreement and the compliance by it with the terms and provisions hereof do not and will not:

- (i) contravene any provision of any Law, statute, rule or regulation or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject;
- (ii) conflict with or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Encumbrances upon any of its property or assets pursuant to the terms of any indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement, contract or instrument to which it is a party or by which it or any of its property or assets is bound or to which it may be subject; or
- (iii) violate any provision of its Charter Documents or any other similar constitutional documents.

**4. Litigation**

- 4.1. To the best of its knowledge, there are no claims, litigations, investigations or proceedings before any court, tribunal or Governmental Authority in progress or pending against or relating to the Company, which could reasonably be expected to prevent the Company from fulfilling its obligations set out in this Agreement or arising from this Agreement.
- 4.2. There are no existing grounds on which any such claim, investigation or proceeding might be commenced with any reasonable likelihood of success, which could prevent from the performance of this Agreement.

**5. Valid and Binding Obligation of the Company**

This Agreement constitutes a valid and binding obligation of the Company enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws of general application affecting creditors' rights or the application of equitable principles.

**6. OTHER WARRANTIES**

- 6.1 All licences, consents, authorizations, orders, warrants, confirmations, permissions, certificates and approvals required by the Company for or in connection with the carrying on of its business and operations ("Licenses") have been obtained, are in full force and effect have been and are being

Shareholder 1	Shareholder 2	Company
		

complied with and, to the extent applicable, all renewals for such Licenses have been filed within the time prescribed for enjoying any benefit under Law. To the knowledge of the Company, there is no default, outstanding investigation, enquiry or proceeding which is likely to result in the suspension, cancellation, refusal, modification or revocation or non renewal of any such Licenses. No notice has been received of any suspension, cancellation, refusal, modification, revocation or non – renewal of any of the Licenses. All the Licenses are capable of renewal as per the prevailing Law.

- 6.2 No bankruptcy or insolvency order has been made in the name of the Company. No liquidator, provisional liquidator, receiver or an administrative receiver of the Company has been appointed and no proceedings have been filed.
- 6.3 There is no Encumbrance, lien or pledge on, over or affecting any of the Equity Shares of the Company and there is no agreement or commitment entered into by the Company to give or create any such encumbrance and no person has made any claim in writing to be entitled to any right over or affecting any of the Equity Shares.
- 6.4 There are no other guarantees including bank guarantees issued in the name of the Company except those as detailed herein in this Agreement and as recorded in its financial statements until date.
- 6.5 The accounts of the Company have been prepared in accordance with applicable law with generally accepted accounting principles and practice and give a true and fair view of the state of affairs of the Company and of their results and profits for the Financial Year ending on the Accounts Date. The Company have duly made all returns and given or delivered all notices, accounts and information which on or before the date hereof ought to have been made, given or delivered for the purposes of Tax and all such returns, notices, accounts and information are complete and correct and made on a proper basis and none of such returns, notices, accounts or information is disputed in any respect by the tax authority concerned except for appeals made in the normal course of business.
- 6.6 The Company is not subject to an investigation, discovery or access order by or involving any tax authority, other than as disclosed in its financial statements.
- 6.7 All tax deducted at source, Taxes, computations, registrations which are or have been due, claimed, assessed by any taxing authority to be due or required to be made or given by the Company for any taxation purpose have been timely made, withheld, deposited or given within the requisite periods and on a proper basis, consistent with past practice, and there is no demand received or to the knowledge of the Company threatened.
- 6.8 Subject to applicable law all information in relation to Company, and the business as would reasonably be expected to influence the decision of the Shareholder 1 to enter into this Agreement, has been made available and disclosed to Shareholder 1 and its representatives Such information was when given true and complete in all respects and there has been no adverse change to such information since that date, and no such information omitted to state any fact necessary to make such statement not misleading.

Shareholder 1	Shareholder 2	Company
		

**SCHEDULE 4**

**SHAREHOLDER 1 WARRANTIES**

**1. Existence and Ability**

- 1.1. Shareholder 1 is a company duly incorporated and validly existing under the laws of India.
- 1.2. Shareholder 1 has all corporate powers and has applicable Governmental Approvals, to carry on its business as now conducted and is duly qualified to do business in the jurisdiction where it operates. No adverse effect is reasonably expected to occur from the absence/ lack of any such Governmental Approval.

**2. Power and Authority**

- 2.1. The Shareholder 1 has the full legal right, capacity and authority to enter into this Agreement and this Agreement constitutes a legal, valid and binding obligation of Shareholder 1.
- 2.2. The Shareholder 1 has the corporate power and authority to execute and deliver the terms and provisions of this Agreement and has taken all necessary corporate action to authorize the execution and delivery by it of this Agreement and the transactions contemplated hereby.

**3. No Violation**

The execution, delivery and performance by Shareholder 1 of this Agreement and the compliance by it with the terms and provisions hereof do not and will not:

- (i) contravene any provision of any law, statute, rule or regulation or any order, writ, injunction or decree of any court or governmental instrumentality to which it is subject;
- (ii) conflict with or be inconsistent with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Encumbrances upon any of its property or assets pursuant to the terms of any indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement, contract or instrument to which it is a party or by which it or any of its property or assets is bound or to which it may be subject; or
- (iii) violate any provision of its Memorandum and Articles or any other similar constitutional documents.

**4. Litigation**

Shareholder 1	Shareholder 2	Company
		



- 4.1. To the best of its knowledge, there are no claims, investigations or proceedings before any court, tribunal or Governmental Authority in progress or pending against or relating to Shareholder 1, which could reasonably be expected to prevent Shareholder 1 from fulfilling its obligations set out in this Agreement or arising from this Agreement.
- 4.2. Shareholder 1 has no knowledge of any existing ground on which any such claim, investigation or proceeding might be commenced with any reasonable likelihood of success.
5. **Valid and Binding Obligation of Shareholder 1**

This Agreement constitutes a valid and binding obligation of Shareholder 1 enforceable against it in accordance with its terms, except to the extent that enforcement may be limited by applicable bankruptcy, insolvency or other laws of general application affecting creditors' rights or the application of equitable principles.

Shareholder 1	Shareholder 2	Company
		

## SCHEDULE 5

### SHAREHOLDER 2 WARRANTIES

#### SHAREHOLDER 2 WARRANTIES IN RESPECT OF THE COMPANY

In this Schedule, capitalised terms not otherwise defined have the meanings set forth in the Agreement, and the following terms have the meanings specified:

**'Accounts'** means, with respect to the Company, the latest audited balance sheet and profit and loss account and also the unaudited financial statements for the period up to the Accounts Date together with any notes, reports, statements or documents included in or annexed to them

**'Accounts Date'** means 31<sup>st</sup> March 2018 for the audited financial statements and 30<sup>th</sup> June 2018 for the unaudited financial statements



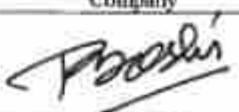
**'Assets'** means all assets of every kind, nature, character and description (whether real, personal or mixed, whether tangible or intangible, whether absolute, accrued, contingent, fixed or otherwise and wherever situated), including the goodwill related thereto, operated, owned or leased by such Person, including without limitation cash, cash equivalents, investment assets, accounts and notes receivable documents, Instruments, general intangibles, real estate, equipment, inventory, goods, and includes the leasehold rights in the Land, if any.

**'Contracts'** means all contracts, agreements, licenses, engagements, leases, financial instruments, purchase orders, commitments, letters of intent, memorandum of understanding and other contractual arrangements (whether binding or non-binding).

**'Related Party'** means related parties within the meaning of the Companies Act.

**'Tax'** means all forms of taxation, deductions, withholdings, duties, imposts, levies, fees, charges, social security contributions including without limitation corporate income tax, wage withholding tax, provident fund, employee state insurance and gratuity contributions, value added tax, customs and excise duties, capital tax and other legal transaction taxes, stamp duty, dividend withholding tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties and any other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction and rates imposed, levied, collected, withheld or assessed by any local, municipal, regional, urban, governmental, state, federal or other body in India or elsewhere and any interest, additional taxation penalty, surcharge or fine in connection therewith.

**'Transaction Documents'** means this Agreement, and any other documents executed pursuant to this agreement.

Shareholder 1	Shareholder 2	Company
		

The Shareholder 2 represents and warrants to Shareholder 1, in respect of the Company:

**1. Corporate Matters and Shareholding**

- (a) The Company has been duly incorporated and organized, and validly exists under the laws of India. Copies of the Charter Documents (and all amendments made to date) that have been delivered to Shareholder 1 are true and complete.
- (b) The particulars of the equity shareholding pattern of the Company, set forth in Schedules 2 are true, complete and correct as of the date hereof.
- (c) Other than the Equity Shares, which have been validly issued, free of Encumbrance and freely transferable (except such as contemplated within the Transaction Documents), there are no Equity Shares or Securities including any Securities convertible into or ultimately exchangeable or exercisable for any Equity Shares, that are outstanding. Save as provided in this Agreement and other Transaction Documents, Equity Shares are not subject to any preemptive rights and any other transfer restrictions. No voting or similar agreements or any Encumbrances exist in relation to the Equity Shares of the Company, other than as contemplated in the Transaction Documents. None of the current shareholders of the Company are "persons resident outside India" as defined in the Foreign Exchange Management Act, 1999.

**2. Authorization and Validity of Transactions**

- (a) The Company has the legal right, corporate power and authority to execute, deliver and perform the Agreement and the execution of the Agreement will not result in breach of any rights of any Person or result in breach of applicable Law.
- (b) Except as specified in this Agreement and in any other Transaction Documents, no approval or filing with, any Governmental Authority or any other Person is required in connection with the execution, delivery, performance by the Company of this Agreement and the consummation thereof.
- (c) There are no options, agreements or understandings (exercisable now or in the future and contingent or otherwise) which entitle or may entitle any Person to create or require to be created any Encumbrance over any of the Equity Shares, other than pursuant to this Agreement.

**3. Corporate Matters**

The statutory books, minutes books, register of members and other registers of the Company as required to be maintained under the Companies Act, have been properly

Shareholder	Shareholder 2	Company
		

and accurately maintained in all material respects and contain full and accurate records of all matters required to be entered under Law.

**4. Legal Compliance and Approvals**

- (a) Since the date when the Company was acquired by Shareholder 2, the Company has operated in compliance with Law and have not been in breach under (i) any Law; and/or (ii) any contract or other binding arrangement that may affect the performance of this Agreement or lead to any Material Adverse Effect;
- (b) The Company has obtained requisite Governmental Approvals for its business as now conducted and such Governmental Approvals are sufficient and valid for the conduct of their businesses as required under applicable Law.

**5. Contracts and Transactions**



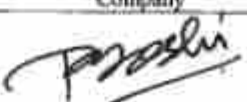
- (a) The Company is not a party to any Contracts which create any liability for the Company, other than this Agreement or other than as disclosed in the Accounts.
- (b) The Company is not on this date, a party to any transactions, agreements, understandings, commitments and undertakings between the Company, on the one hand, and any Related Party or Affiliate of the Company, on the other hand, involving payments by or to such Related Party or Affiliate, other than those in the ordinary course of business to Waaree Energies Limited.

**6. Taxation**

No claims have arisen for non-payment of any Taxes due and payable by the Company.

**7. Financial Matters**

- (a) The Accounts and all other audited or unaudited financial statements furnished to Shareholder 1 or filed with the Registrar of Companies, have been prepared in accordance with generally accepted accounting practices of India, and give a true and fair view of the financial condition of the Company as of the date as of which they were prepared and the results of the Company's operations during the period then ended and disclose all liabilities (contingent or otherwise) of the Company, and the reserves, if any, for such liabilities and all unrealized or anticipated liabilities and losses arising from commitments entered into by the Company (whether or not such commitments have been disclosed in such financial statements).
- (c) There are no existing liabilities, whether actual or contingent, of the Company other than liabilities disclosed in the Accounts.

Shareholder 1	Shareholder 2	Company
		

(d) There are no loans given by the Company to any Persons other than as disclosed in the Accounts.

(e) Since the Accounts Date:

- i) there has been no adverse change in the financial position (including with respect to working capital or cash balances), performance, operations, profitability or prospects of the Company;
- ii) no claim or contingent liability has arisen or been asserted against the Company other than as disclosed in the Accounts;
- iii) the business of the Company has been carried on as a going concern in the ordinary and usual course; and
- iv) the Company has not made any payment other than for the legitimate Business expenditure, which is not in the ordinary course of business;
- v) there has been no outstanding guarantee, indemnity, suretyship or security (whether or not legally binding) given by the Company for any Person including in relation to the Company's business;
- vi) there has not occurred, and there exists no fact or circumstance that has had or shall have, a Material Adverse Effect on the Company

(f) Share Capital

The total authorized, issued and paid up Share Capital of the Company listed in Schedule 2 is validly issued, fully paid and non-assessable. None of the Share Capital was issued in violation of any preemptive rights. The Company has not issued any preference shares or securities of any other kind, other than the Equity Shares. There are no outstanding contractual obligations of the Company to repurchase, redeem or otherwise acquire any Equity Shares or to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in, any other Person, other than pursuant to this Agreement. As per the records of the Company, the Shareholders own the Equity Shares free and clear of all Encumbrances. Upon consummation of the transactions contemplated by this Agreement and registration of the Tranche II Shares in name of the Shareholder 1 in the share registers of the Company, the Shareholder 1, assuming it shall have purchased the Tranche II Shares will own all the Equity Shares free and clear of all Encumbrances. As per records of the Company there are no voting trusts, shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Equity Shares.

Shareholder 1	Shareholder 2	Company
		

**8. Claims and Proceedings**

- (a) The Company has not been, and is not, engaged in or the subject of any litigation or other legal proceedings of any description (including in relation to any of its Assets (including the Land), and operations). Further, the Company has not been, and is not, engaged in or the subject of any ongoing or threatened investigation or administrative or criminal proceedings by any Governmental Authority or by any other Person nor are there existing any circumstances that shall give rise to such investigation, administrative or criminal proceedings.
- (b) The Company has no order against it, or resolution passed or meeting convened and no petition has been presented, for the winding up (or other process whereby the business of the Company is terminated or the Assets of the Company is distributed amongst their creditors and/or other contributories) of the Company and/or for an administration order against the Company and there are no cases or proceedings under any applicable insolvency, reorganisation, or similar laws concerning the Company and no events have occurred which, under Law, shall result in any such cases or proceedings.

**9. Employees and Labor**



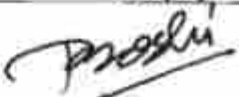
The Company is in full compliance with all material provisions of the Law in relation to all workmen or personnel employed or engaged by it, including but not limited to requirements to pay any salaries, wages and statutory or other dues. There are no employment dues and/or other monies owing to any current or past employees (including without limitation any pension, annuity, superannuation and other payments required to be made under Law).

**10. Information**

There is no fact or circumstance relating to the affairs of the Company which has not been disclosed to Shareholder 1 and which if disclosed might reasonably have been expected to influence the decision of Shareholder 1 to enter into the Transaction Documents.

**11. Assets**

The Company own, lease or have the legal right to use all the Assets, used or intended to be used in the conduct of the Business or otherwise owned, leased or used by the Company, and, with respect to contract rights, is party to and enjoy the right to the benefits of all contracts, agreements and other arrangements used or intended to be used by the Company or in or relating to the conduct of the Business, all of which properties, assets and rights constitute Assets. The Company has good and marketable title to, or, in the case of leased Assets, valid and subsisting leasehold interests in, all the Assets, free and clear of all Encumbrances. The Assets constitute all the properties, assets and rights forming a part of, used, held or intended to be

Shareholder 1	Shareholder 2	Company
		



used in, and all such properties, assets and rights as are necessary in the conduct of, the Business. The Company has caused the Assets to be maintained in accordance with good business practice, and all the Assets are in good operating condition and repair (subject to normal wear and tear) and are suitable for the purposes for which they are used and intended to be used. No Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase or other acquisition from the Company of any of the Assets.

**12. No Material Adverse Effect.**

No event or events shall have occurred, or be reasonably likely to occur, which, individually or in the aggregate, have, or could have, a Material Adverse Effect;



Shareholder 1	Shareholder 2	Company
		

