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INDIA NON JUDICIAL
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Certificate of Stamp Duty

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Certificate Issued Date : 30-Sep-2020 05:32 PM
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Unique Doc. Reference : SUBIN-GJGJ11323751933335993535559S
Purchased by : IRM ENERGY PRIVATE LIMITED
Description of Document : Article 5(h) Agreement (not otherwise provided for)
Description : Shareholder Agreement
Consideration Price (Rs.) : 0
(Zero)
First Party : IRM ENERGY PVT LTD
Second Party : MAUKTIKA VENTURES LLP AND VENUKA POLYMERS
PVT LTD
Stamp Duty Paid By : IRM ENERGY PVT LTD
Stamp Duty Amount(Rs.) : 300
(Three Hundred only)



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Statutory Alert:

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COMPANY OPERATIONS & SHAREHOLDERS AGREEMENT

BETWEEN

IRM ENERGY PRIVATE LIMITED

AND

MAUKTIKA VENTURES LLP

AND

VENUKA POLYMERS PRIVATE LIMITED



THIS AGREEMENT is entered into on September 30, 2020. (30-09-2020)

IRM ENERGY PRIVATE LIMITED, a Private Limited Company incorporated under the Companies Act, 2013 and whose registered office is at 4th Floor, Block 8, Magnet Corporate Park, Nr. Zydus Hospital, S G Highway, Ahmedabad- 380054, Gujarat ("**IRMEPL**" which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns);

MAUKTIKA VENTURES LLP, a Limited Liability Partnership incorporated under the provisions of Limited Liability Partnership Act, 2008 and whose registered office is at C-401, Sampad Prime, Sargasan, Gandhinagar-382421 ("**MVLLP**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns; and

VENUKA POLYMERS PRIVATE LIMITED a Private Limited Company incorporated under the Companies Act, 2013 and whose registered office is at 4th Floor, 8th Block, Magnet Corporate Park, Nr. Zydus Hospital, S G Highway, Ahmedabad, Gujarat- 380054 ("**COMPANY**" OR "**VPPL**") which expression shall unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns.

IRMEPL, **MVLLP** and **COMPANY** are hereinafter collectively referred to as the "**Parties**" and individually as a "**Party**".

WHEREAS:

- (a) IRMEPL is engaged in the business of storage, supply, distribution, sale and to otherwise deal in natural gas and lay, operate, maintain and expand city gas distribution networks.
- (b) MVLLP is engaged *inter alia* in the business of manufacturing, supply, trading, warehousing, etc of PE pipes and conduit for fibre optic cables, etc
- (c) IRMEPL, in light of the MVLLP's strategic know how, commercial and management expertise, had requested MVLLP to provide advice in business and project management for manufacturing of PE pipes and conduit for fibre optic cables across India.
- (d) In view of MVLLP's strategic know how and sector specific knowledge, IRMEPL and MVLLP ("**Promoters**") has incorporated the Company – Venuka Polymers Private Limited ("**The Company**") to engage in the business of manufacturing, supply, storage, trading, distribution, sale and to otherwise deal in plastic pipes, HDPE and LDPE pipes, conduit for fibre optic cables, etc. ("**PE Projects**") MVLLP has further agreed to participate in the management of the Company and has agreed to nominate and select key personnel in the Company.
- (e) The Parties acknowledge that a non-compete and non-solicitation obligation is necessary to achieve the investment objective in the Company and therefore agree to undertake the non-compete and non-solicitation obligations provided herein.

NOW THEREFORE, in consideration of the mutual promises and agreements made herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:



1.0 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement (including the recitals and schedules), the following words and expressions, unless the context otherwise requires, have the meanings set forth below:

“**Act**” means the Companies Act 2013, including any modifications, amendments or reenactment thereof;

“**Affiliate**” of a Party shall mean, in the case of any Party other than a natural person, any other person that, either directly or indirectly through one or more intermediate persons, Controls, is Controlled by or is under common Control with such Party.

“**Agreement**” means this Company Operations and Shareholders Agreement entered into between the Parties.

“**Applicable Laws**” means any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, government approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration having the force of law of, any of the foregoing, by any authority having jurisdiction over the matter in question, whether in effect as of the date of this Agreement or thereafter;

“**Articles of Association**” means the Articles of Association of the Company;

“**Auditor**” means such statutory auditor(s) of the Company;

“**Big Four Accounting Firms**” means KPMG, Ernst & Young, PriceWaterhouse Coopers and Deloitte, or any of their Indian Affiliates and any successor firm of any of them.

“**Board**” means the Board of Directors of the Company;

“**Business Day**” means a day which is not a Sunday or a bank or public holiday in Ahmedabad;

“**Business Plan**” shall mean the business plan of the Company comprising of objective of the Company for the financial year, project implementation plan along with schedule, yearly projection of profit and loss, Capital Expenditure and Revenue Expenses, annual budget, source of fund etc.

“**CEO**” means the Chief Executive Officer of the Company;

“**CFO**” means the Chief Financial Officer of the Company;

“**Company**” shall have the meaning assigned to it in the Recitals;

“**Company’s Business**” or “**Business**” means the implementation of the PE Projects and undertaking the business of storage, supply, distribution, sale and to otherwise deal in Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), Bio Fuels or any other gaseous fuels and ancillary services on commercial basis.

“**Confidential Information**” shall have the meaning assigned to it in Clause 14;

“**Control**” as applied to any Person, means the possession, directly or indirectly, of the power or ability to direct or cause the direction of the management or policies of that Person, whether through ownership of voting securities, by contract or otherwise; provided that in all events, the direct or indirect ownership



of more than 50% (fifty percent) of the paid-up and issued equity share capital and right to appoint majority of directors of a Person shall be deemed to constitute control of such Person (the terms "Controlled" and "Controlling" shall have correlative meanings);

"**Deadlock**" means: (i) the failure to pass any resolution or resolve any matter which is required to be passed or resolved by the Board or the Shareholders in a general meeting and which, if not passed or resolved, is likely to materially and adversely affect the continued existence or financial viability of a material portion of the business of the Company and which is not resolved by conciliation in negotiation in good faith within 3 (three) months; or (ii) if the Shareholders are unable to take a decision pertaining to any matter, in any agenda, that is required to be taken by unanimously under Clause 9 of this Agreement; or (iii) an irretrievable breakdown of the relationship between any of the Shareholders that is materially undermining the day-to-day operations of the Company for a continued period of ninety (90) days, but excluding any dispute which is subject to the arbitration procedures under Clause 15.

"**Effective Date**" shall have the meaning assigned to it in Clause 2 hereof;

"**Equity Shares**" or "**Shares**" means equity shares of Rs. 10/- each (or such other denomination as may be approved by the Shareholders) in the Company;

"**Equity Share Capital**" means the issued and paid-up equity share capital of the Company;

"**Event of Default**" shall have the meaning specified in Clause 12.1.

"**Fair Market Value**" means value of shares calculated using the valuation mechanism specified in Clause 12.3.

"**Fully Diluted Basis**" means that the calculation should be made in relation to the Equity Share Capital of the Company, assuming that all outstanding convertible preference shares or debentures, ESOPs and other equity securities convertible into or exercisable or exchangeable for equity shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to equity shares, assuming that neither the Company nor the Shareholders are in default of the terms of issuance;

"**Governmental Approvals**" means all consents, approvals, orders, permits, no-objection letters or authorizations of, and registrations, declarations and filings with, and expirations of waiting periods imposed by, any Governmental Authority, including any approvals required in connection with this Agreement and the transactions contemplated herein;

"**Governmental Authorities**" means any national, state, regional or local government or governmental, administrative, judicial, or government-owned body, department, commission, authority, court, tribunal, agency or entity in India;

"**Group**" means, in relation to a Party, that Party and its Affiliates;

"**India**" means the Republic of India;

"**Independent Financial Advisor**" shall mean the financial advisor selected in pursuant to Clause 12.3.

"**IRMEPL Securities**" means the Equity Shares, Redeemable Preference Shares, preference shares and instruments convertible into, or exchangeable for, equity shares and any further equity shares, that may be subscribed to or held by from time to time by the IRMEPL.

"**Key Managerial Personnel**" Key Managerial Personnel means executives employed by the Company in senior position not below more than 2 levels of the Board of Directors and as identified by the Board as Key Managerial Personnel ("KMP").

"**Memorandum of Association**" means the memorandum of association of the Company;

"**MVLLP Securities**" means the Equity Shares and instruments convertible into, or exchangeable for, equity shares and any further equity shares that may be subscribed to or held by from time to time by MVLLP.

"**Non-Defaulting Party**" shall have the meaning specified in Clause 12.1.

"**Non-Selling Shareholder**" shall have the meaning specified in Clause 8.7.

"**PE Project**" shall have the meaning assigned to it in Recital (c)

"**Person**" means any individual, firm, company, corporation, government, state or agency of a state, or any association, trust or partnership (whether or not having separate legal personality), body corporate or any two or more of the above;

"**Promoters**" has the meaning assigned to it in Recital (f);

"**Rs.**" or "**Rupees**" means the lawful currency of India;

"**10.5% Non-Convertible Cumulative Redeemable Preference Shares**" (hereinafter referred as "RPS") means preference share that are issued by the Company at par, which shall be: (a) which shall be non-convertible and cumulative in nature (a) redeemable after five (5) years from the date of their issuance and (b) entitled to 10.50% cumulative dividend till their redemption.

"**Securities**" includes Equity Shares, Redeemable Preference Shares and any other instrument falling under the classification of "securities" under Applicable Law that is issued by the Company.

"**Shareholders**" means IRM Energy Private Limited and Mauktika Ventures LLP and shall include, from time to time, such of their respective affiliates that hold the IRMEPL securities and MVLLP securities (as the case may be).

"**Shareholding Ratio**" means in respect of a Person, the respective percentage proportions which the Equity Shares held by that Person bear to the Equity Share Capital of the Company from time to time, in each case calculated on a Fully Diluted Basis, it being agreed that the percentage proportions of the shareholding shall be 50:50 between IRMEPL and MVLLP respectively;

"**Tag Along Securities**" means with respect to Non-Selling shareholder, such number of Securities as are arrived at by multiplying the number of Securities held by Non-Selling Shareholder and its Affiliates with a fraction, the numerator of which is the number of Sale Securities and the denominator is the total number of Securities then held by the Selling Shareholder and their Affiliates.

"**Target Capitalization**" means the total amount of monies required to be invested, in accordance with Clause 5.2 of this Agreement, in the Company by the IRMEPL and MVLLP, upon the Company implementing the number of PE Project, which shall be undertaken through subscription of Equity Shares.

"**Tax**" means all statutory, governmental, state, provincial, local government or municipal taxes, impositions, duties, contributions, rates, cess, fees and levies, and shall include any other similar charges, whenever and wherever imposed;

"**Transfer**" means, with respect of any Share or other Security, direct or indirect sale, transfer, assignment, mortgage (whether by way of fixed or floating charge), pledge, encumbrance or other alienation or disposition of, in any way, any Shares or other security, or any rights relating to such Shares or other security (including by way of amalgamation or merger with any Person), and



"Transferred" shall be construed accordingly.

1.2 Interpretation

In this Agreement, unless the context requires otherwise,

- (a) reference to a statutory provision includes any regulations or subordinate legislation made or promulgated from time to time under that provision;
- (b) reference to any gender includes all genders and reference to the singular includes the plural and vice versa;
- (c) reference to a document shall be a reference to that document as modified, amended, novated or replaced from time to time;
- (d) reference to this Agreement includes any recitals and schedules to this Agreement as from time to time amended and shall have the same force and effect as if expressly set out in the body of this Agreement; and references to Clauses and Schedules are to Clauses of and Schedules to this Agreement;
- (e) headings are for convenience only and shall be ignored in construing or interpreting any provision of this Agreement;
- (f) if in terms of this Agreement, the day or date for taking any action by any Party falls on a day that is not a Business Day, then such action would be required to be taken on the immediately succeeding Business Day;
- (g) this Agreement is a joint draft product of the Parties and any rule of statutory interpretation interpreting agreements against a party primarily responsible for drafting the agreement shall not be applicable to this Agreement; and
- (h) any reference to any statute or statutory provision shall include:
 - (i) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);
 - (ii) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Agreement) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under this Agreement and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as from time to time amended, modified, re-enacted or consolidated) which the provision referred to has directly or indirectly replaced.

2.0 ENTRY INTO EFFECT

This Agreement shall become effective and binding on all Parties on the date of execution hereof ("Effective Date")

3.0 PURPOSE OF THIS AGREEMENT

3.1 The purpose of this Agreement is to set out the rights and obligations of the Parties and the terms and conditions on which they have agreed that the Company's Business would be undertaken and the PE Project implemented.



3.2 The Parties agree that their respective rights in the Company shall be regulated by this Agreement.

3.3. The Parties shall:

(a) promote the best interests of the Company; and

(b) Ensure that the Company's Business is conducted and the PE Project are undertaken in accordance with the provisions of this Agreement, sound and good business practices and in accordance with the Business Plan, as approved by the Board from time to time.

4.0 GOVERNMENT APPROVALS FOR COMPANY'S BUSINESS

The Company shall obtain and maintain all Governmental Approvals required for the conduct of the Company's Business. The Parties shall support and provide such assistance to the Company as is required in order to enable the Company to obtain the required Governmental Approvals.

5.0 CAPITAL STRUCTURE AND RELATED MATTERS

5.1 Capitalisation of Company as on Effective Date

The Company's authorized equity share capital as on the effective date is share capital of Rs. 2,00,00,000/- (Rupees Two Crores Only) divided into 15,00,000 (Fifteen Lakhs) Equity Shares of Rs. 10/- each and 5,00,000 (Five Lakhs) Preference Shares of Rs. 10/- each.

As on the Effective Date, the Company has an issued Equity Share Capital of 4,69,600 (Four Lakh Sixty Nine Thousand Six Hundred) Equity Shares of Rs. 10/- each (Rupees Ten only) aggregating to Rs. 46,96,000/- (Rupees Forty Six Lakh Ninety Six Thousand only) that has been subscribed by IRMEPL and MVLLP in the shareholding ratio of 50:50 and has an issued Preference Share Capital of 4,75,000 10.5% Redeemable Cumulative Preference shares of Rs. 10/- each (Rupees Ten only) aggregating to Rs. 47,50,000/- (Rupees Forty Seven Lakhs Fifty Thousand only) that has been subscribed fully by IRMEPL.

5.2 Target Capitalization

5.2.1 IRMEPL, MVLLP and the Company hereby agree and undertake that in order to enable the due implementation of the PE Project and to ensure that the rights of MVLLP are not adversely affected, the Company shall be capitalised in the following manner:

- i) infuse by way of Equity Share Capital (as per **Shareholding Ratio**) till the applicable Target Amount is achieved and
- ii) once the relevant applicable Target Capitalisation has been achieved, all further investment for meeting the capitalisation and financing requirements of the Company shall be undertaken by the IRMEPL only through the subscription of Redeemable Preference Shares in accordance with Clause 5.3 below.

5.2.2 IRMEPL, MVLLP and the Company hereby agree that the Target Capitalisation to be achieved in relation to implementation of PE Project shall be as under:



Sr. No.	Number of PE Project	Applicable Target Capitalisation <i>(i.e. sum of investment through subscription of Equity Shares by The IRMEPL and MVLLP for the relevant PE Project)</i>
1.	1 st PE Project	Rs. 2.21 Crores (Rs. 2,21,00,000/-) ("First Target Capitalization")
2.	2 nd PE Project	Rs. 1.80 Crores (Rs. 1,80,00,000/-) ("Second Target Capitalization")

5.3 MVLLP Participation and Capital Structure on Achieving Applicable Target Amount

5.3.1 The Parties hereby agree that the Company's Business shall be undertaken, in accordance with the terms and conditions of this Agreement. Any capital contribution from the Parties, after the Effective Date, shall be in the ratio of 50:50 by IRMEPL and MVLLP respectively subject to Clause 5.2 and this Clause 5.3 below. The capital contribution made by the Parties shall be used only to establish and operate the Company's Business.

5.3.2 IRMEPL, MVLLP and the Company hereby agree that in consideration of the investment in accordance with this Agreement and in lieu of MVLLP's strategic know how on commercial and management aspects and their sector specific expertise to the Company, the rights of MVLLP under this Agreement shall not in any manner be diluted and that:

(i) all additional funding required once the applicable Target Capitalization (corresponding to the number of PE Project at the relevant time) has been achieved, shall be undertaken only by IRMEPL and only through subscription to 10.5% Non-Convertible Cumulative Redeemable Preference Shares ("RPS"); and

(ii) IRMEPL shall subscribe to RPS to the extent of Rs. 2.75 Crores for the 1st PE Project and Rs. 2.25 Crores for the 2nd PE Project, which aggregates to Five Crores (Rs. 5,00,00,000/-) ("IRMEPL RPS Cap") for funding the Company till it has achieved the Second Target Capitalisation (as per Clause 5.2 above). The RPS shall be subscribed by IRMEPL only.

(iii) IRMEPL shall provide margin for working capital for normal operations of the Company.

In the event the Company has achieved the Second Target Capitalization and the issued Redeemable Preference Shares that are pending redemption by the Company are at the IRMEPL RPS Cap then, thereafter the Equity Share Capital shall be enhanced as decided by the Board and IRMEPL and MVLLP shall subscribe to such increase in Equity Share Capital in the ratio of 50:50.

5.3.3 IRMEPL and the Company hereby agree that the total cash investment by MVLLP shall not exceed 50% of the relevant applicable Target Capitalization and in consideration of the same and the provisions of the its strategic know-how on commercial and management aspects and sector expertise to the Company, the rights of MVLLP under this Agreement shall not in any manner be diluted and that all additional funding, once the applicable Target Capitalization has been achieved, would be undertaken by IRMEPL through Redeemable Preference Shares.

5.3.4 IRMEPL hereby agree and undertake that additional financing beyond the applicable Target Capitalization would be undertaken only through RPS, without recourse to or impacting the MVLLP's Shareholding Ratio or in any way diluting the ratio of MVLLP's Shareholding in the



Company below 50%. The additional financing would be undertaken without affecting the rights of MVLLP under this Agreement. Accordingly, Company shall raise such financing as may be required using such other quasi equity or debt or non-convertible instruments or other instruments, derivatives, securities as may be feasible so as to ensure that the MVLLP's shareholding and rights are not diluted.

- 5.3.5 In the event the Company has implemented more than two (2) PE Project, and if an offer is made by the Company to the IRMEPL and MVLLP to subscribe to additional equity Shares in accordance with Clause 5.2 read with Clause 5.3.2 and MVLLP does not wish to exercise its rights to acquire Shares under such offer, then all or part of such shortfall ("Shortfall") shall be dealt as per Clause 5.3.6 below.
- 5.3.6 In the event of shortfall the Company may allow any Party to provide funds to the Company in form of loan or to guarantee the Company's obligations and to charge interest or a fee in respect of any such loan or guarantee on an arm's length basis. Nothing contained in this Clause shall constitute an obligation on any Party to advance any funds by way of loan or guarantee any loan obligation of the Company without the prior written consent of such Party.
- 5.3.7 In addition to the capital contribution, if the Board in accordance with this Agreement determines that the Company requires further finance or upon occurrence of a shortfall, the Board shall use its reasonable endeavours, to procure debt funding through (i) any facilities, either denominated in Rupees or a non-Indian currency, from commercial banks, financial institutions and multilateral lending institutions, (ii) issue of non-convertible debentures or other non-convertible debt securities, (iii) commercial paper facilities, or (iv) any other type of debt financing that it considers appropriate ("Debt Funding").

6.0 ROLE OF EACH PARTY

6.1 Role of IRMEPL

- (a) IRMEPL shall provide all support, security, bank guarantees needed to enable the Company to obtain Debt Funding and financing needed to enable the implementation of the PE Project, conduct the Company's Business till such time Company is able to secure it independently. Provided that once the Company has obtained/acquired assets such as land or other assets that can be mortgaged, hypothecated and/or charged, then the Company will raise Debt Funding, to the extent it can through securing its assets and IRMEPL shall provide and arrange the additional security or financing as required to cover any shortfall in financing needed by the Company.
- (b) IRMEPL shall support MVLLP in undertaking the management of the Company's Business in accordance with the Role defined in this agreement;

6.2 Role of MVLLP

- (a) MVLLP shall provide all guidance to develop the Business Plan and to enable the Company to implement the PE Project and further provide its expertise in management and operations of the Company including inter alia for the following:
- (i) MVLLP will identify project site where the Company should set up the PE Project;
- (ii) MVLLP will assist in preparation of Feasibility Report for PE Project;
- (iii) MVLLP will assist in preparation the financial model to work out project economics and project feasibility;



- (iv) In relation to the PE Project, MVLLP shall: (a) undertake the development of Project implementation, (b) monitor the implementation of the Project, (c) Selection of key consultants & contractors for timely completion of project, (d) enable sourcing of Raw Material by the Company, (e) negotiate agreement/contract with customers, (f) prepare contract formats, (g) Identification and recruitment of key managerial personal : CEO, COO, CFO, CMO, CS and HODs such as Marketing, O&M, Projects, etc
- (v) enable the expansion of business of the Company;
- (vi) MVLLP shall provide its expertise and experience to enable the due implementation of the PE Project by the Company;
- (vii) MVLLP shall support and provide guidance for the operations of the Company so as to enable it to implement the PE Project including strategic business aspects such as expansion of business, creation of subsidiaries, joint ventures, major capital expenditure, Company's annual capital and revenue budget, strategic plan, business plan and modification of the same and all other operational matters.

7.0 GOVERNANCE AND MANAGEMENT

7.1 Management of the Company with the Board of Directors.

Subject to the rights of the Parties contained in this Company Operations & Shareholders' Agreement, the management of the Company shall rest with the Board of Directors and the Board shall be responsible for the overall direction and supervision of the management of the Company, as mandated under the Act, the Memorandum of Association and the Articles of Association. The Shareholders further acknowledge that the day to day management of the Company shall be carried out by the CEO. In the absence of CEO, the Directors of the Company shall handle the day to day management of the Company.

Board Composition

- 7.2 The number of Directors on the Board shall be 3 (three) to start with, which can be increased in accordance with Applicable Laws, upto 6(six), with the mutual agreement between the IRMEPL and MVLLP.
- 7.3 Subject to Clause 7.2 above, IRMEPL shall have the right to nominate up to 2 (two) Directors and MVLLP shall have the right to nominate 2 (two) Directors on the Board. In the event of increase in the number of Directors on the Board, the parties shall have right to nominate the Directors in their proportion of equity holding. The Shareholders shall also appoint 1 (one) Independent Director to start with on the Board of the Company, selected through consensus between MVLLP and the Promoter which can be increase up to 2 Independent Directors, with the mutual agreement between the IRMEPL and MVLLP.
- 7.4 The Directors will not be required to hold any qualification shares.
- 7.5 Subject to and in accordance with the provisions of Section 161 of the Companies Act, 2013, in the event a Director nominated by a Party is going to be absent from India for a period of not less than three (3) months then in such circumstances, the Board will appoint the person nominated by the relevant Party who had nominated the original director as the Alternate Director to act for the original director during his absence for a period of not less than three months from India. An alternate director so appointed shall not hold office as such for a period longer than that permissible for the original director in whose place he has been appointed and shall vacate office if and when the original director returns to India.



Chairman

- 7.6 The Board shall select one of the Directors nominated by the IRMEPL to preside as chairman of meetings of the Board ("**Chairman**").
The Board shall delegate any powers to the Chairman, from time to time, as may be necessary.

Remuneration

- 7.7 The remuneration of the Directors, shall be determined by the Board, subject to the provisions of the Act.

Board Meetings

- 7.8 Subject to the provisions of the Act, the Board shall meet at least four times in a year and once every 3 (three) months at the registered office of the Company or such other place, as may be determined by the Board. At any Board meeting, each Director shall have one vote. All meetings of the Board shall be conducted in compliance with the provisions of the Act and the Articles of Association.

The quorum for all meetings of the Board of Directors shall, for each meeting be two or one third of total number of Directors, whichever is higher, which shall consist minimum one director nominated by IRMEPL and one director nominated by MVLLP. No quorum for a meeting of the Board of Directors shall be validly constituted unless the number of Directors constituting such quorum as mentioned hereinabove is present at the commencement of the Board Meeting and throughout its duration.

Provided that the above clause shall be deemed to have been complied with, if written consent is received by the Party in advance whose representative is not able to attend the meeting.

If the requisite quorum is not present within thirty (30) minutes from the time when the meeting of the Board of Directors is convened or if during the meeting, there is no longer a quorum, such meeting shall be adjourned for and be held on the same day, same time in the subsequent week and if such date is not a Business Day, on the next following Business Day ("**Adjourned Meeting**"). Notice of the Adjourned Meeting shall be provided to the Directors by the Company at the last known address as per the records of the Company.

If at the Adjourned Meeting, the required representatives of the IRMEPL and MVLLP are not present in accordance with this Clause 7.8 hereinabove, within thirty (30) minutes from the time that the Adjourned Meeting should have begun or if during the proceedings of such Adjourned Meeting, there is no longer a representation of the IRMEPL and MVLLP, the meeting shall stand cancelled.

Role of the Board

- 7.9 The roles of Board, inter alia, shall include the following:
- (i) Approval of Business Plan
 - (ii) Approval of budgets
 - (iii) Expansions or divestments of the company
 - (iv) Approval of Loans from Financial Institutions
 - (v) Directors remuneration
 - (vi) Appointment of Chief Executive Officer
 - (vii) Appointment of CFO
 - (viii) Appointment of COO



- (ix) Approval of area of expansion
- (x) Approval of induction of financial investor
- (xi) Change in the capital structure of the company
- (xii) Any related party transactions
- (xiii) declaration of dividend;
- (xiv) creation of new subsidiaries / joint ventures other than those included in the Business Plan;

7.10 The Board shall exercise all such powers and shall do all such acts and things, as the Company is authorised to exercise and do. All decisions of the Board at any meeting shall be decided by a simple majority of votes.

Chief Executive Officer ("CEO")

7.11 The Board may appoint the CEO as may be nominated by MVLLP. The CEO shall oversee the execution and performance of the administrative functions of the Company under supervision of the Board, and shall communicate with the Board regarding the Company's Business and operational activity of the Company. Once appointed, the day to day management of the Company shall be carried out by the CEO.

Chief Financial Officer ("CFO")

7.12 The Board may appoint the CFO as may be nominated by MVLLP. The CFO shall support the CEO in overseeing the execution and performance of the Company.

7.13 Subject to the provisions of the Act, the Company shall indemnify, defend and hold harmless any MVLLP representative Directors as well as any IRMEPL Representative Directors ("**Representative Director**"), from and against any and all losses to which any Representative Director may become subject, including losses pursuant to any claim against any Representative Director or to which any Representative Director is made a party, insofar as such losses arise out of, in any way relate to, or result from any Representative Director's holding a position on the Board and Committees and/or otherwise from any Representative Director's current or past association with the Company or any breach or alleged breach of any Representative Director's fiduciary duties in such capacity, without requiring the Party or its Affiliates that has nominated such Representative Director to indemnify the Representative Director in the first instance and any obligation of the Party or its Affiliates under any document or instrument providing for indemnification or advancement by such entity shall be secondary to the Company's primary obligation with respect thereto. The Company shall not, without the prior written consent of the IRMEPL and MVLLP, amend any provisions of the Articles of Association in relation to indemnity, in any manner which may adversely affect the rights of Representative Director(s) in relation to any act or omission having occurred prior to the date of such amendment.

7.14 Notwithstanding anything to the contrary contained in this Agreement, IRMEPL and MVLLP hereby agree that the implementation and operation of the PE Project and the day to day operations of the Company (collectively "Operational Matters") shall be the responsibility of MVLLP. IRMEPL agree that any resolution or decision to be taken at shareholders meeting or meeting of the Board of Directors in relation to Operational Matters shall require unanimous consent of both, MVLLP and IRMEPL (in any meeting of the shareholders) and/or consent of all Directors nominated by MVLLP and IRMEPL (in any meeting of the Board of Directors), as the case may be.

8.0 TRANSFER OF SHARES & LOCK-IN PERIOD

8.1 Each Shareholder covenants and agrees with the other Shareholder that it and any of its Affiliates



holding any Shares or voting interests therein, shall not transfer any of the shares or voting interests therein owned by it to any person, except as expressly permitted under this Clause 8.

- 8.2 Notwithstanding any provision in this Agreement to the contrary, a Shareholder shall transfer its shares only in compliance with Applicable Law and shall not Transfer its shares if doing so would create a substantial risk of causing the Company to lose any of its Governmental Approvals, or to be in violation of Applicable Law, or in breach of a significant contract to which it is a party or other commitment which it has undertaken, where such significant contract had been approved or ratified in writing by the Shareholder proposing to Transfer its shares.
- 8.3 Any attempted transfer of shares made by a Shareholder in violation of this Agreement shall be void. The Board of Directors shall not approve or ratify any Transfer of Equity Shares made in contravention of the prohibitions contained in this Clause 8.
- 8.4 Any Transfer or attempt to Transfer any shares held by the Shareholders in the Company, in violation of the aforesaid shall be null and void ab initio and the Company shall: (i) not register such erroneous Transfer and shall (ii) reject and reverse such erroneous Transfer made or attempted to be made, *suo moto*, without necessity of a decision by the Board of Directors and may institute proceedings for this purpose, if required by Law.
- 8.5 Should an approval of a Governmental Authority be required for the Transfer of Equity Shares of the Company under this Agreement, the transferor and/or the transferee, as the case may be, shall immediately make or have made an application thereof and shall take in good faith such reasonable actions, as may be necessary or desirable to obtain such approval. The time taken for obtaining such approvals shall be excluded from the time limits set out for the Transfer of the shares of the Company under this Agreement. The costs of the steps for obtaining the approvals shall be to the account of the Shareholder seeking the approval.
- 8.6 Notwithstanding anything contained in this Agreement, the Shares held by the Shareholders shall be subject to a lock-in for a period of 3 (Three) years from the date of commercial operation ("Lock-in Period")

Provided that provisions of lock in period shall not be applicable on following:

- 8.6.1. in the interest of the sustainability of the PE Project, MVLLP/ IRMEPL shall have the rights to dilute its share up to maximum 11% in favor of any strategic technical partner during the Lock-in Period. The Company shall be entitled to issue and allot up to 11% of the subscribed share capital, during the lock in period of 3 years to any strategic partner in terms of applicable provisions of the Act.
- 8.6.2. Subject to applicable provisions of the Act, the Company may reward, during the first five years of its commercial operation, Key Managerial Personnel by way of employee stock option plan, sweat equity shares and/ or cash incentives, from time to time as recommended/ decided by the Board of Directors.
- 8.6.3. Both the Parties agrees that in case of merger, amalgamation or any scheme for restructuring of one of the Parties or a change of ownership of a majority of its shares, or a change to the existing shareholding structure of either Party or their parent company which involves loss of control of the Company management; in such case, the other Party may choose to continue with this Agreement or may terminate this agreement by providing 60 days' notice upon the occurrence of any specified event.
- 8.7. Upon expiry of Lock-in Period, if any Shareholder ("Selling Shareholder") is intending to transfer all or any Shares held by it, then the other Shareholder ("Non-Selling Shareholder") shall have a right to purchase such Shares on the terms and conditions set forth below.



- 8.7.1 Notice of proposed transfer: the Selling Shareholder shall deliver a written notice ("Offer Notice") to the Non-Selling Shareholder and the Company containing (a) the name of the proposed purchaser ("Proposed Transferee"), (b) exact number of Shares to be Transferred to Proposed Transferee ("Offered Shares"), (c) the cash price for which the Proposed Transferee proposes to purchase the Offered Shares ("Offered Price"), (d) material terms and conditions of the proposed transfer ("Offer Terms") and (e) offer the Offered Shares at the Offered Price on the Offer Terms to the Non-Selling Shareholder;
- 8.7.2 Exercise of right of first refusal: at any time within 30 (thirty) days from the date of receipt of the Offer Notice ("Offer Period"), the Non-Selling Shareholder may by giving written notice ("Acceptance Notice") to the Selling Shareholder, elect to purchase (either directly or through its Affiliates) all but not less than all the Offered Shares at the Offered Price on the Offer Terms from the Selling Shareholder;
- 8.7.2.1 If the Non-Selling Shareholder has delivered the Acceptance Notice that contains an offer to purchase the Offered Shares, then the Non-Selling Shareholder shall proceed to complete the purchase of the Offered Shares from the Selling Shareholder within a period of 60 (sixty) days from the date of receipt of the Acceptance Notice by the Selling Shareholder;
- 8.7.2.2 If the Non-Selling Shareholder does not issue the Acceptance Notice within the Offer Period, it shall be deemed on the last day of Offer Period to have served a notice stating that it does not wish to purchase the Offered Shares. The Selling Shareholder then shall be entitled to sell the Offered Shares to the Proposed Transferee at the Offer Price as per Offer Terms within 60 (sixty) days from the date of expiry of the Offer Period ("Disposal Period"). *Provided that any sale shall be subject to and in accordance with the Tag Along Sale obligations in accordance with Clause 10 of this Agreement; and*
- 8.7.2.3 In the event the Selling Shareholder fails to Transfer the Offered Shares to the Proposed Transferee within the Disposal Period, it shall observe the procedure laid down as above prior to selling the Offered Shares to a third party.

9.0 RESERVED MATTERS

- 9.1 IRMEPL and MVLLP hereby agree that under the guidance of the Board of the Company, any resolution or decision to be taken at a shareholders meeting or meeting of the Board of Directors shall require affirmative vote or consent in writing to the proposed agenda items of IRMEPL and MVLLP (in any meeting of the shareholders) and/or the Directors nominated by IRMEPL and MVLLP (in any meeting of the Board of Directors), as the case may be ("Reserved Matters"):
- (i) appointment of CEO, COO and CFO of the Company;
 - (ii) appointment of statutory auditor and internal auditor of the Company;
 - (iii) adoption or modification of Company's annual capital and revenue budget, strategic plan and the Business Plan;
 - (iv) issue any guarantee or provide indemnities with respect to a debt or obligation availed by any related parties of the Company (including its Affiliates) or any other person;
 - (v) any changes to the accounting policies of the Company;
 - (vi) any action that requires a special resolution under Applicable law;
 - (vii) commencement or settlement of any litigation where the amount involved is in excess of Rupees Ten Lacs Only (Rs. 10,00,000/-) in any financial year;



The Parties agree that a resolution shall be deemed to have been passed only if it has been approved by: (a) an affirmative vote of Directors representing MVLLP and Directors representing IRMEPL at a duly convened meeting of the Board or (b) an affirmative vote of MVLLP and IRMEPL at a duly convened Shareholders' Meeting, as the case may be.

It is agreed between parties to this agreement that subject to requirement of funds for expansion by the Company, the Company shall declare dividend to the Equity Shareholders after servicing all outstanding dividend to the Preference Shareholders.

- 9.2 In the event of a Deadlock arising due to the Shareholders being unable to take a decision pertaining to any matter in any agenda, then the provisions of Clause 13 shall be applicable.

10.0 TAG ALONG SALE

10.1 Tag Along

Subject to the provisions of Lock-in Period, if any Shareholder receives a bona fide offer to acquire its Securities or proposes to make a Transfer of securities to a third party Transferee, then the said Selling Shareholder shall send a written notice ("**Tag-Along Notice**") to Non-Selling Shareholder, which notice shall state: (i) the name and address and identity of the proposed Transferee and that the proposed Transferee has been informed of the Tag-Along Right and that the Transferee has agreed to purchase all the Sale Securities and Tag Along Securities required to be purchased in accordance with this Clause; (ii) the number of Securities to be Transferred ("**Sale Securities**"); (iii) the amount of the proposed consideration for the Transfer; (iv) the other terms and conditions of the proposed Transfer, (v) a representation that no consideration, tangible or intangible, is being provided to Selling Shareholder (including without limitation, by way of non-compete consideration) that is not reflected in the price to be paid to Non-selling Shareholder exercising their Tag-Along Rights hereunder, (vi) the number of Securities the Selling Shareholder then owns, (vii) the calculation of the number of Tag Along Securities and (viii) an offer at the sole option of Non-Selling Shareholder, to include in such sale to the Transferee, the Tag-Along Securities. In the event that the proposed consideration for the Transfer includes consideration other than cash, the Tag Along Notice shall include a calculation of the fair market value of such calculation as determined by an internationally-reputed investment bank chosen by Non-Selling Shareholder. The total value of the consideration for the proposed Transfer is referred to herein as the "**Tag-Along Price**".

10.2 Tag-Along Rights

Non-Selling Shareholder shall have the right ("**Tag-Along Right**") but not the obligation to require the Selling Shareholder to cause the Transferee in a Transfer of Securities to purchase from Non-Selling Shareholder, for the same consideration per Equity Share and upon the same terms and conditions as are to be paid and given to Selling Shareholder (except that Non-Selling Shareholder will not be required to make any representations or warranties other than with respect to their title to the Securities transferred or otherwise be liable for any indemnification (except in respect of their own breach)), the Tag-Along Securities. *Provided that*, if as a result of Transfer of Sale Securities by IRMEPL, IRMEPL together with their Affiliates cease to hold at least 35% (thirty five per cent) of the Equity Share Capital of the Company on a Fully Diluted Basis or partial pro-rata diluted basis and/or cease to Control the Company immediately upon such Transfer of the Securities and IRMEPL shall procure that the sale is affected, MVLLP shall have the right to transfer (but not the obligation) its entire Securities (in addition to the number of Tag Along Securities applicable in terms of this Agreement) to the Transferee at the same price at which Transferee in a Transfer of Securities is purchasing the Equity Shares from IRMEPL. Tag Along Right set forth in this Clause is not exercisable "one time only" but rather shall apply for each sale



of Securities by Selling Shareholder.

10.3 Tag-Along Acceptance

Within 15 (fifteen) calendar days following the receipt of the Tag-Along Notice, in the event that Non-Selling Shareholder elects to exercise its Tag-Along Right, it shall deliver a written notice of such election to the Selling Shareholder ("Tag Acceptance Notice") and the number of Tag-Along Securities that it proposes to Transfer to such Transferee. Such notice shall be irrevocable and shall constitute a binding agreement by Non-Selling Shareholder to sell such Tag-Along Securities on the terms and conditions set forth in the Tag Acceptance Notice.

10.4 Non-Consummation

Where Non-Selling Shareholder have properly elected to exercise its Tag-Along Right and the proposed Transferee fails to purchase the Securities from Non-Selling Shareholder, Selling Shareholder shall not make the proposed Transfer, and if purported to be made, such Transfer shall be void and the Company shall not register any such Transfer of Securities.

10.5 Closing of the Tag Along Sale

The closing of any purchase of Securities by the Transferee from Non-Selling Shareholder shall take place simultaneous with the closing of the purchase of Securities by the Transferee from the Selling Shareholder or at such other time and place as both shareholders may agree.

At such closing, Non-Selling Shareholder shall deliver required certificates representing the Tag-Along Securities, accompanied by duly executed instruments of transfer or duly executed transfer instructions to the relevant depository participant. Such Tag-Along Securities shall be free and clear of any Encumbrance and Non-Selling Shareholder shall so represent and warrant and shall further represent and warrant that it is the beneficial and record owner of such Tag-Along Securities. Any Transferee purchasing the Tag-Along Securities shall deliver at such closing payment in full of the Tag-Along Price in accordance with the terms set forth in the Tag-Along Notice, an executed Deed of Adherence (in the event that the Tag Along Securities do not represent all of Non-Selling Shareholder Securities) and any requisite transfer taxes. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Securities to the Transferee.

10.6 Prohibited Transfer

Without prejudice to Clause 10.4 above, in the event Selling Shareholder transfers any securities held by it in violation of the provisions of this Clause 10 ("Prohibited Transfer"), then, Non-Selling Shareholder, in addition to such other remedies which may be available under Law or equity, shall have the put option as described in this Clause 10.6, and Selling Shareholder shall be bound by the applicable provisions of such option. In the event of a Prohibited Transfer, Non-Selling Shareholder shall have the right to sell to the Selling Shareholder, the Tag Along Shares at the same price at which Selling Shareholder transfers the Sale Securities to the third party. Selling Shareholder shall also reimburse Non-Selling Shareholder for any and all fees and expenses, including legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of Non-Selling Shareholder's rights under this Clause 10.6. Non-Selling Shareholder shall be entitled to provide Selling Shareholder a notice, requiring the Selling Shareholder to ensure that the proposed transferee also purchases the Tag-Along Securities at the same price and on the same terms at which the Selling Shareholder transfers such Sale Securities to the third party. Selling Shareholder shall purchase the Tag-Along Securities within ninety (90) days from the date of notice provided by Non-Selling Shareholder of the exercise by it of its rights under this Clause 10.6.



11.0 MANAGEMENT BUY OUT OF IRMEPL

It is agreed between the parties to the agreements that in the event there is a buyout of IRMEPL, MVLLP shall have the right (but not the obligation) to acquire in full or part, shares of IRMEPL held in the Company at the then prevailing FMV of the Company.

12.0 EVENT OF DEFAULT

12.1 Definition of Event of Default

The IRMEPL or MVLLP, as the case may be, shall be a "Defaulting Party" if it materially breaches its obligations, representations or warranties under this Agreement, and where such default is capable of remedy, it fails to remedy such breach within thirty (30) Business Days after service of written notice from the other Party ("Non-Defaulting Party") of such breach (an "Event of Default").

12.2 Default Notice

Upon an event of default, the Non-Defaulting Party may give notice in writing ("Default Notice") to the Defaulting Party and to the Company, whereupon the Non-Defaulting Party shall have the right, which must be exercised by so stating in its Default Notice, to either (a) purchase all, but not less than all, of the Equity Shares of the Defaulting Party ("Default Call Right"); or (b) require the Defaulting Party to purchase all, but not less than all, of the Equity Shares of the Non-Defaulting Party ("Default Put Right"), in each case as provided in Clauses 12.3 and 12.4 below.

The rights and remedies of a Non-Defaulting Party pursuant to this Clause 12 are non-exclusive and are in addition to the rights and remedies available to such party as otherwise provided in this Agreement or by Applicable Law.

12.3 Valuation

For the purposes of this Clause 12, the Fair Market Value of the Equity Shares shall be determined by an Independent Financial Adviser comprising one of the Big Four Accounting Firms as agreed by the Parties within 7 (seven) days of the date of the Default Notice, failing which the Board of the Company will appoint any of the Big Four Accounting Firms as the Independent Financial Advisor. At the time of its appointment, the Independent Financial Advisor shall be instructed to use its reasonable efforts to complete its valuation within thirty (30) Business Days of its appointment.

12.4 The aggregate sale or purchase price of the Equity Shares to be sold or purchased by the Non-Defaulting Party pursuant to this Clause 12 shall be equal to:

- (a) 120% of (in the case of a sale of Equity Shares by the Non-Defaulting Party pursuant to a Default Put Right); or
- (b) 80% of (in the case of a purchase of Equity Shares by the Non-Defaulting Party pursuant to a Default Call Right).

in each case, the Fair Market Value per Share, multiplied by the number of Equity Shares to be so purchased or sold (such price, in each case, the "Default Price").

Fair Market Value shall be based upon the valuation of the Company as determined by the Independent Financial Advisor. For purposes of calculating the Fair Market Value per Share, the



Independent Financial Advisor shall:

- (i) value all Equity Shares at the same value regardless of whether the actual sale of such Equity Shares would be afforded any control premium or discount as a result of the sale of a control position;
- (ii) value all Equity Shares at the same value and shall not use discount rate on the basis that MVLLP is a minority shareholder; and
- (iii) assume the exercise of all unexercised warrants, options and rights to purchase Shares and receipt by the Company of the consideration payable in connection therewith.

The fees and expenses of the Independent Financial Advisor shall be borne by the Defaulting Party.

12.5 Closing of Transfer of Shares on Event of Default

- (a) Closing of any sale and purchase of the Equity Shares pursuant to this Clause 12 shall take place at the offices of the Company at [11:00 a.m.] on the day, which is the seventh (7th) business day after the determination of the Default Price and/or the Fair Market Value, as the case may be. At that time: (i) the Party whose Equity Shares are being sold pursuant to this Clause 12 shall deliver to the purchaser the share certificate(s) representing those Equity Shares, free and clear from all liens and encumbrances (other than the restrictions on transfer set out in this Agreement), and such other documents as may be necessary to enable the purchaser or its nominee(s) to obtain a good title to those Equity Shares; and (ii) the purchaser shall pay the Default Price and/or the Fair Market Value, as the case may be to the selling Party in immediately available funds.
- (b) All Equity Shares transferred under this Clause 12.4 shall be free from all liens and encumbrances (other than the restrictions on transfer set out in this Agreement) and shall carry all rights, benefits and advantages attached to them except the right to any dividend declared but not paid prior to the date of the registration of such transfer; and on the transfer of any Shares, the transferring Party shall secure the resignations of its designees from any offices in the Company held before the transfer.
- (c) No Party shall be obliged to give any representations or warranties in relation to the Company in conjunction with a transfer pursuant to this Clause 12 of the Equity Shares held by it. However, a Party that transfers Equity Shares pursuant to this Clause 12 shall give to the purchaser customary representations and warranties as to ownership, authority and the absence of conflicts with, breaches of or default under any agreements or other instruments to which the transferring Party is a party or by which the transferring Party or its properties or assets are bound.

13.0 DEADLOCK

- 13.1 In the event of occurrence of any Deadlock, either Party may issue a written notice to the other Party intimating the occurrence of deadlock ("Deadlock Notice"). Upon issuance of the Deadlock Notice, the Parties agree that they shall attempt to resolve through good faith negotiation and consultation, any Deadlock or difference between any of the Parties and such consultation shall begin promptly after a Party has delivered to another Party a written request for such consultation.

In matters of technical nature, the Board shall take into consideration the opinion of experts and in the event of a deadlock, the decision of an independent expert appointed by both the Parties, shall



resolve the deadlock.

In other applicable matters including but not limited to matters relating to raising finances for all requirements of the Company, the Board shall duly consider all options, including raising contracts, sub-lease, or other arrangements in accordance with the provisions of this Agreement.

- 13.2 If the Deadlock is still not resolved in accordance with Clause 13.1, then MVLLP may issue a notice ("**Deadlock Offer**") on IRMEPL offering to sell to IRMEPL all, but not less than all, of its shareholding/investment in the Company at a price notified by MVLLP that shall be based as on Fair Market Value as determined by one of the Big Four Accounting Firms and supported by its report/ certification ("**the Deadlock Price**").
- 13.3 Notwithstanding anything to the contrary contained elsewhere in this Agreement, for the purpose of purchase of Equity Shares pursuant to a Deadlock Offer, IRMEPL may tie up with a third party after the issue of the Deadlock Offer and shall be free to- (i) enter into a financial or other agreement or arrangement with any third party of its choice, to finance such purchase of the Equity Shares; (ii) encumber or deal with their own Equity Shares or the Equity Shares proposed to be purchased pursuant to such Deadlock Offer as the case may be, in any manner, and such a transaction shall be accepted by MVLLP.
- 13.4 The Deadlock Offer shall:
- (i) provide for the exercise, by IRMEPL, of the option to accept the Deadlock Offer, within a period of 90 (ninety) Business Days from the date of service of the Deadlock Offer ("**Offer Acceptance Period**"); and
 - (ii) shall be irrevocable once IRMEPL have given the written consent.
- 13.5 IRMEPL shall at any time before the expiry of the Offer Acceptance Period issue notice upon MVLLP of its desire to accept the Deadlock Offer on the terms set out in this Clause 13, ("**Offer Acceptance Notice**"), which shall not be subject to the fulfilment of any condition subject to Applicable Law. Upon service of an Offer Acceptance Notice, MVLLP shall be bound to sell and IRMEPL shall be bound to purchase all, but not less than all, of the Shares held by MVLLP at the Deadlock Price.
- 13.6 If IRMEPL do not issue an Offer Acceptance Notice before the expiry of the Offer Acceptance Period, IRMEPL shall be deemed to have declined to accept the Deadlock Offer and an Event of Default of IRMEPL shall be deemed to have occurred and the provisions of Clause 12 with IRMEPL being a Defaulting Party would come into effect.

14.0 Confidentiality

- 14.1 The Parties shall use all reasonable endeavours to keep confidential and not use for any unrelated purpose and to ensure that all members of their respective Groups and their respective officers, employees, agents and professional and other advisers keep confidential and not use for any unrelated purpose any information (the "**Confidential Information**");
- (i) relating to the customers, the Company's Business, assets or affairs of the Company which they may have or acquire through ownership of an interest in the Company;
 - (ii) relating to the customers, business, assets or affairs of the other Groups or its members which they may have or acquire through being a Shareholder or making appointments to the Board or through the exercise of their respective rights or performance of their respective obligations under this Agreement; or



- (iii) Intellectual property from one Party which is made available to the other Party or the Company for the purposes of this Agreement.

It is clarified that the Company shall exclusively own all rights, title and interest in and to the intellectual property developed in the course of the Company's activities and use of such intellectual property by any other Person shall be subject to prior written consent from the Company.

- 14.2 No Party may disclose to any third party any Confidential Information without the prior written consent of the other Parties.

- 14.3 This Clause does not apply to:

- (i) information that is or becomes publicly available
- (ii) information that is independently developed by the relevant Party or acquired from a third party, to the extent that it is acquired with the right to disclose it;
- (iii) information that was lawfully in the possession of the relevant Party free of any restriction on disclosure as can be shown by that Party's written records or other reasonable evidence;
- (iv) information that following disclosure under this Clause becomes available to the relevant Party (as can be demonstrated by that Party's written records or other reasonable evidence) from a source that is not bound by any obligation of confidentiality in relation to such information;
- (v) the disclosure by a Party of Confidential Information to its directors or employees or to those members of its Group who, in its reasonable opinion, need to possess such Confidential Information for purposes relating to this Agreement, but those directors and employees shall not use that Confidential Information for any other purpose;
- (vi) the disclosure of information to the extent required to be disclosed under Applicable Laws;
- (vii) the disclosure of information to any Tax authority to the extent reasonably required for the purposes of the Tax affairs of the Party concerned or any member of its Group;
- (viii) the disclosure to a Party's professional advisers of information reasonably required for purposes relating to this Agreement;
- (ix) subject to appropriate confidentiality undertakings, disclosure to lenders (including potential lenders) or ratings agencies; and

- 14.4 Each Party shall inform any officer, employee or agent or any professional or other adviser advising it in relation to matters relating to this Agreement, or to whom it provides Confidential Information, that such information is confidential and shall instruct them:

- (i) to keep it confidential; and
- (ii) not to use it for any unrelated purpose or disclose it to any third party (other than those Persons to whom it has already been or may be disclosed in accordance with the terms of this Clause 13).



15.0 Dispute Resolution

15.1 Consultation

- 15.1.1 If any dispute or difference arises between any of the Parties hereto during the subsistence of this Agreement or thereafter, in connection with the validity, interpretation, implementation or alleged material breach of any provision of this Agreement or regarding any question, including the question as to whether the termination of this Agreement by any Party hereto has been legitimate, the Parties hereto shall endeavour to settle such dispute amicably. The attempt to bring about an amicable settlement is considered to have failed as soon as one of the Parties hereto, after reasonable attempts which attempt shall continue for not less than 20 (twenty) Business Days, gives 20 (twenty) Business Days' notice thereof to the other Party in writing.
- 15.1.2 All disputes, differences or claims arising out of or in connection with this Agreement including, any question regarding its existence, validity, construction, performance, termination or alleged violation which is not resolved under Clause 15.1.1 above shall be resolved by binding arbitration.

15.2 Arbitration

- 15.2.1 The Parties shall jointly appoint a sole arbitrator mutually acceptable to all of them. In the event of failure to agree upon a sole arbitrator, a sole arbitrator shall be appointed in accordance with the Indian Arbitration and Conciliation Act, 1996.
- 15.2.2 Such arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996. The language of the arbitration shall be English. Any arbitration award shall be final and binding upon the Parties, and shall not be subject to appeal.
- 15.2.3 The venue for such arbitration shall be in Ahmedabad and all proceedings shall be conducted in the English language.
- 15.2.4 A Party seeking to commence arbitration under this Clause shall first serve a written notice, specifying the matter or matters to be so submitted to arbitration, on the other Parties hereto.
- 15.2.5 All claims and counterclaims shall, to the extent such claims or counterclaims are known at the time any arbitration is commenced, be consolidated and determined in the same arbitration proceeding.
- 15.2.6 Deposits to cover the costs of arbitration shall be shared equally by the Parties. The award rendered by the arbitrator(s) shall, in addition to dealing with the merits of the case, fix the costs of the arbitration and decide which of the Parties shall bear such costs or in what proportions such costs shall be borne by the Parties hereto.
- 15.2.7 Nothing contained in this Clause shall preclude the Shareholders from seeking interim or injunctive relief, or both, from any court having jurisdiction to grant such relief. The pursuit of interim or injunctive relief shall not be a waiver of the right of the Shareholders to pursue any remedy for monetary damages through the arbitration described in this Clause.



16.0 Limitation of Liability

To the fullest extent permitted by Applicable Laws, none of the Shareholders, Directors and employees, agents or representatives of the Company shall be held liable by any Shareholder or the Company for or on account of any act or any failure to act by any such Person while serving as a Director, manager, employee, agent or representative of the Company unless such act or failure to act shall be in bad faith or in wilful disregard of the duties imposed upon such Person by Applicable Laws and this Agreement.

17.0 Notices

17.1 Addresses

Any notice, claim or demand in connection with this Agreement shall be in writing in English (each a "Notice") and shall be sufficiently given if delivered or sent to the Parties at the following addresses either by hand or courier (postage prepaid) followed by facsimile or electronic mail (with confirmation of transmission retained) if delivered outside India or by hand or courier (postage prepaid) or facsimile or electronic mail (with confirmation of transmission retained) if delivered in India.

IRMEPL

Attention : Mr. Harshal Anjaria, Chief Financial Officer
Address : IRM Energy Private Limited
4th Floor, Block 8, Magnet Corporate Park, Near Zydus Hospital,
S.G. Highway, Ahmedabad - 380054, Gujarat
Email : harshalanjaria@irmenergy.com

MVLLP

Attention : Mr. Raghuvirsinh Solanki, Designated Partner
Address : Mauktika Ventures LLP
C-401, Sampad Prime, Sargasan, Gandhinagar- 382421.
Email : raghuvirsinh.solanki@irmenergy.com

VPPL

Attention : Mr. Prashant Sagar, Director
Address : Venuka Polymers Private Limited
4th Floor, Block 8, Magnet Corporate Park, Near Zydus Hospital,
S.G. Highway, Ahmedabad - 380054, Gujarat
Email : prashant.sagar@venukapolymers.com

18.0 FORM

Notices sent by hand shall be effective upon delivery. Notices sent by courier, facsimile or electronic mail shall be effective upon receipt.

19.0 CHANGE OF NOTICE

Any Party may substitute or change its Notice details by giving 5 (five) days prior written notice to the other Parties.

20.0 ENTIRE AGREEMENT AND REMEDIES

The Parties' respective rights in the Company are regulated by this Agreement and the Articles of



Association. The Shareholders will be bound by and comply with the provisions of this Agreement and the Articles of Association that relate to them and all provisions of this Agreement and the Articles of Association shall be enforceable by the Parties among themselves in whatever capacity.

This Agreement is in substitution for all previous agreements (whether in writing or verbal) between the Promoters and the Company in respect of the subject matter of this Agreement and this Agreement contains the whole agreement between the Investors, the Promoter and the Company relating to the subject matter of this Agreement.

21.0 MISCELLANEOUS

21.1 Survival of Rights, Duties and Obligations

Termination of this Agreement for any cause shall not release a Party from any liability (a) that at the time of termination has already accrued to another Party, or (b) that thereafter may accrue in respect of any act or omission prior to such termination, or (c) from the obligations which shall survive termination. Without prejudice to the generality of the foregoing the following provisions shall survive termination: (i) Clause 1, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20 and 21.

21.2 Conflict with the Articles of Association

In the event of any ambiguity or discrepancy between the provisions of this Agreement and the Articles of Association, it is intended that the provisions of this Agreement shall prevail, and accordingly the Parties shall exercise all voting and other rights and powers available to them so as to give effect to the provisions of this Agreement and to cause the Articles to be amended so as to remove any such conflict and to ensure that the provisions of this Agreement shall prevail.

21.3 No Partnership

Nothing in this Agreement shall be deemed to constitute a partnership between the Parties or constitute any Party the agent of any other Party for any purpose.

21.4 Release etc.

Any liability to any Party under this Agreement may in whole or in part be released, compounded or compromised or time or indulgence given by that Party in its absolute discretion as regards any Party under such liability without in any way prejudicing or affecting its rights against any other Party under the same or a like liability, whether joint and several or otherwise.

21.5 Waiver

No failure of any Party to exercise, and no delay by it in exercising, any right, power or remedy in connection with this Agreement (each a "Right") shall operate as a waiver of that Right, nor shall any single or partial exercise of any Right preclude any other or further exercise of that Right or the exercise of any other Right. The Rights provided in this Agreement are cumulative and not exclusive of any other Rights (whether provided by Applicable Laws or otherwise). Any express waiver of any breach of this Agreement shall not be deemed to be a waiver of any subsequent breach.

21.6 Variation

No variation of this Agreement shall be effective unless in writing and signed by all of the Parties.



21.7 Assignment

Except as otherwise provided herein, this Agreement or the rights and obligations hereunder shall not be sold, assigned, transferred (by transfer of Control or otherwise) or pledged, in whole or in part, or by operation of Applicable Laws without the prior written consent of the other party.

Any attempted or purported assignment in violation of this Clause shall be null and void and of no force or effect whatsoever.

21.8 Further Assurance

At any time after the date of this Agreement the Parties shall, and shall use all reasonable endeavours to procure that any necessary third party shall, at the cost of the relevant Party execute such documents and do such acts and things as that Party may reasonably require for the purpose of giving to that Party the full benefit of all the provisions of this Agreement.

21.9 Invalidity

If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under Applicable Laws, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity or enforceability of the remainder of this Agreement shall not be affected.

21.10 Counterparts

This Agreement may be entered into in any number of counterparts, each of which will constitute an original and all of which, taken together, shall constitute one and the same instrument. Any Party may enter into this Agreement by signing any such counterpart. The Parties may deliver executed signature pages to this Agreement by facsimile or e-mail transmission. No Party may raise (a) the use of a facsimile or e-mail transmission to deliver a signature or (b) the fact that any signature, agreement or instrument was signed and subsequently transmitted or communicated through the use of a facsimile or e-mail transmission as a defence to the formation or enforceability of a contract, and each Party forever waives any such defence.

21.11 Costs

Each Party shall bear all costs incurred by it in connection with the preparation, negotiation and entry into this Agreement and the documents to be entered into pursuant to it.

21.12 Extension of Time

If the period of time required for the completion of any act under this Agreement, including any issue or Transfer of Shares, is insufficient due to the requirement of any Government Approval, then such period of time shall be extended by the period reasonably required to obtain such Government Approval.

21.13 Compliance with Applicable Laws

The Parties shall procure that the terms and conditions of the Memorandum of Association and the Articles of Association and Applicable Laws regulating the PE Project are complied with by the Company.

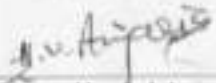


21.14 Governing Law and Jurisdiction

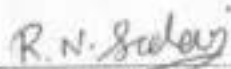
This Agreement shall be governed by and construed in accordance with the laws of India and subject to the provisions governing arbitration contained in this Agreement, shall be subject to the jurisdiction of courts in Ahmedabad.

IN WITNESS WHEREOF the Parties have entered into this Agreement on the date first stated above.

For and on behalf of
IRM ENERGY PRIVATE LIMITED


Name: Harshal Anjaria
Title: CFO


For and on behalf of
MAUKTIKA VENTURES LLP



Name: Raghuvirsinh Solanki
Title: Designated Partner

For and on behalf of
VENUKA POLYMERS PRIVATE LIMITED


Name: Prashant Sagar
Title: Director



Witness 1: 
K. Abhinav Suresh

Witness 2: 
Moha Fareed Purohit

