

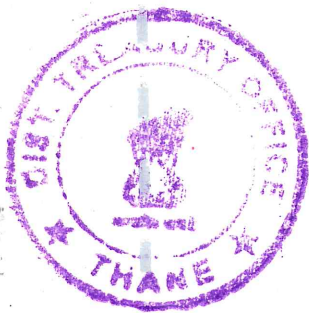


महाराष्ट्र MAHARASHTRA

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16 SEP 2017

SL 878910



08/09/2017

SHAREHOLDERS AGREEMENT

THIS SHAREHOLDERS AGREEMENT is made as of this 26 day of Sept. 2017 (this "Agreement"),
BETWEEN:

1. Mr. TUSHAR NATVERLAL DHARIA (hereinafter referred to as "TND" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors and administrators) of the **FIRST PART:**

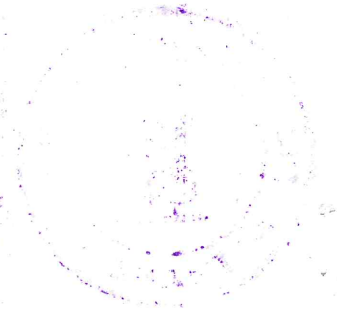
Tushar N. Dharia
T. Dharia
KW
Manoj T. Dharia

जोडपत्र-१ / Annexure-II

१. मुद्रांक विक्री नोंदवही अनु. क्रमांक/ दिनांक	108286
२. दस्तावेज प्रकार	Agg
३. दस्त नोंदणी करणार आहेत का?	होय / नाही
४. मिळकतीचे थोडक्यात वर्णन	
५. मुद्रांक विक्रीत घेणाऱ्याचे नाव व सही	Prasol Chemicals Pvt Ltd
६. हस्ते असल्यास त्याचे नाव, पत्ता व सही	Sanjay K C
७. दुसऱ्या पक्षकाराचे नाव	
८. मुद्रांक शुल्क रक्कम	100
९. परवानाधारक मुद्रांक विक्रेत्याची सही व परवाना क्रमांक तसेच मुद्रांक विक्रीचे ठिकाण/ पत्ता	सौ. रोहिणी आर. निरादार परवाना क्र. १२०१०२४
ई.६/१:१, सेक्टर-१, वाशी, नवी मुंबई	
ज्या कारणासाठी ज्यांनी मुद्रांक खरेदी केला त्यांनी त्याच कारणासाठी मुद्रांक खरेदी केल्यापासून ६ महिन्यांमध्ये बापरणे बंधनकारक आहे.	

16 SEP 2017.

Handwritten signature/initials.



2. **Mr..KUNAL TUSHAR DHARIA** (hereinafter referred to as "KTD" which expression shall unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors and administrators) of the SECOND PART;
3. **Mrs.AMI TUSHAR DHARIA** (hereinafter referred to as "ATD" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors and administrators) of the THIRD PART;
4. **Ms. MANSI TUSHAR DHARIA** hereinafter referred to as "MTD" which expression shall unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors and administrators) of the FOURTH PART;
5. **TUSHAR NATVERLAL DHARIA HUF**, (hereinafter referred to as "TNDHUF" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its Karta and members and their legal heirs, executors and administrators) of the FIFTH PART;

TND, TD, ATD, MTD ,TND HUF are individually referred to as a "Party" and collectively referred to as the "TND Family " or "the Parties"

WHEREAS:

- A. The Parties personally own shares in **PRASOL CHEMICALS PRIVATE LTD.**, a Private Company limited by shares having its registered address at A/17/2/3 Prasol House, TTC, MIDC, Khairane, Navi Mumbai , ("**Company**"), . The Shareholding of Parties in Company is as per Schedule I hereunder written
- B. Pursuant to discussions in this regard, the Parties wish to record by this Agreement their broad understanding in respect of the manner in which the Parties will (i) exercise their votes in respect of the Company and , (ii) transfer of shares of the Company owned by them , and (iii) exploration of options available to them to put in place a long-term arrangement for the ownership of the Company's Shares by the TND Family .

Tushar A. Dharia
A. Dharia

[Signature]

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES CONTAINED HEREIN, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AND THIS AGREEMENT WITNESSETH AS UNDER:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following terms, to the extent not inconsistent with the context thereof or otherwise defined herein, shall have the following meanings assigned to them:

- (a) **"Acceptance Notice"** shall have the meaning ascribed to it in Clause 4.3.
- (b) **"Accepting Party"** shall have the meaning ascribed to it in Clause 4.5.
- (c) **"Agreement"** shall mean this Shareholders Agreement.
- (d) **"Board Meeting"** shall have the meaning ascribed to it in Clause 3.1.
- (e) **"Company"** shall have the meaning ascribed to it in Recital A.
- (f) **"Confidential Information"** shall have the meaning ascribed to it in Clause 7.1.
- (g) **"Deed of Adherence"** means a deed of adherence in the format set out in Annexure "A" to this Agreement.
- (h) **"Dispute"** shall have the meaning ascribed to it in Clause 6.1.
- (i) **"General Meeting"** shall have the meaning ascribed to it in Clause 3.1.
- (j) **"TND Family"** shall have the meaning ascribed to it in the Preamble .
- (k) **"Arbitral Rules"** shall have the meaning ascribed to it in Clause 3.3.
- (l) **"Notification Period"** shall have the meaning ascribed to it in Clause 4.3.

- (m) **"Party"** shall have the meaning ascribed to it in the Preamble.
- (n) **"Person"** shall include an individual, an association, a corporation, a partnership, a joint venture, a trust, an unincorporated organisation, a joint stock company or other entity or organisation, including a government or political subdivision, or an agency or instrumentality thereof and/or any other legal entity.
- (o) **"Refusal Notice"** shall have the meaning ascribed to it in Clause 4.3.
- (p) **"Shares"** shall mean the equity shares of the Company with face value of Rs.10/- (Rupees Ten only).
- (q) **"Transfer"** shall mean to sell, gift, give, assign, transfer, transfer any interest in trust, mortgage, alienate, hypothecate, pledge, encumber, grant a security interest in, amalgamate, merge or suffer to exist (whether by operation of Law or otherwise) any Encumbrance on, any Shares or any right, title or interest therein or otherwise dispose of in any manner whatsoever voluntarily, and will include a buyback of Shares by the Company.
- (r) **"Transfer Price"** shall have the meaning ascribed to it in Clause 4.2.
- (s) **"Transfer Shares"** shall have the meaning ascribed to it in Clause 4.2.
- (t) **"Transfer Terms"** shall have the meaning ascribed to it in Clause 4.2.
- (u) **"Transferring Party"** shall have the meaning ascribed to it in Clause 4.2.
- (v) **"Waiver Notice"** shall have the meaning ascribed to it in Clause 4.4.

1.2 Interpretation

- (a) The recitals to this Agreement shall form an integral and operative part of this Agreement.

- (b) Unless the context otherwise requires, words importing the singular include the plural and vice versa, and pronouns importing a gender include each of the masculine, feminine and neuter genders.
- (c) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment of such provisions or statutes (whether before or after the date of this Agreement) for the time being in force, and to all statutory instruments or orders made pursuant to such statutory provisions.

2 MANAGEMENT AND CONTROL

- 2.1 It is the intention of the TND Family to have a coordinated approach and to act as a single unit for the purposes of exercising their role as shareholders of the Company and with respect to the affairs of the Company. For effectuating this purpose, the TND Family hereby agree and undertake to act jointly in respect of the affairs of the Company as a single unit, subject to and under the overall direction and supervision of TND; and upon or upon the incapacity of TND, KTD to act. The TND Family acknowledge that they shall not interfere in management, decisions of Board of Directors of the Company and/or TND and shall not hold the Board and/or TND personally responsible for decisions in relation to the management of the Company including any losses suffered by Company.
- 2.2 After the demise of both TND and KTD or both of them being incapacitated, the TND Family shall act jointly in respect of the affairs of the Company as a single unit subject to and under the overall direction and supervision of ATD and MTD upon incapacity of ATD.

3 EXERCISE OF VOTING RIGHTS

- 3.1 The TND Family jointly undertake to ensure that they, their authorised representatives and proxies representing them at the meetings of the board of directors of the Company ("**Board Meeting**") and general meetings of the

Tyson V. Pheneas

Apharna





shareholders of the Company ("**General Meeting**"), shall at all times exercise their votes as set out in Clause 2 above and act in such a manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of this Agreement and to act in accordance with the terms of this Agreement.

- 3.2 Each of the TND Family hereby agrees and undertakes to take all actions necessary to give effect to the provisions of this Agreement and to act in accordance with the terms of this Agreement .
- 3.3 TND shall exercise voting rights at any General Meeting, either directly or by way of proxy, appointed under Form No. MGT-11 as set out in the Companies (Management and Administration) Rules, 2014 (MA Rules) in respect of shares held by TND Family. TND if he is not attending the General Meeting for any reason whatsoever, may authorize and nominate another person to attend and vote in his stead and in the absence of any such nomination, KTD will be deemed to be his authorized representative and/or proxy and if KTD is unable to so act, then TND shall nominate ATD to so act and in the absence of any such nomination MTD will be deemed to be his authorized representative and/or proxy .
- 3.4 The TND Family currently collectively own and hold 410000 shares of the equity share capital in the Company and they collectively agree to appoint TND as their authorized representative and/o proxy to vote in all General Meetings. In this regard, they will each execute all necessary deeds and documents including Form No.MGT-11 as set out in the MA Rules . They in furtherance of this provision , agree to renew their authorized representative and/or proxy for each General Meeting, as may be required in accordance with the Companies Management and Administration Rules, without any delay, demur or protest.
- 3.5 In the event that TND is unable to act as authorized representative and/or proxy pursuant to Clause 3.4 for any reason, then TND Family shall appoint KTD as their authorized representative and/or proxy for that General Meeting . In case if KTD is unable to so act then they shall nominate ATD to so act and in absence of such nomination MTD will be deemed to be the authorized representative . The provision of clause 3.4 above, in so far as they are not inconsistent herewith, shall mutatis mutandis , apply to the nomination of KTD or ATD or MTD as the case may be .

TND Family

Adharia

KTD

MTD

- 3.6 In the event of changes in the number of shares held by each of the members of TND Family or any other event which results in the provisions set out in Clause 3.3 to 3.5 becoming incapable of performance, then the TND Family shall appoint such person/persons nominated by TND and after the demise or incapacitation of TND, KTD and after the demise or incapacitation of both TND and KTD, ATD and on incapacitation of ATD, MTD as their authorized representative and/or proxy.
- 3.7 All decisions of TND Family or such other person nominated/authorised to act on behalf of TND Family as per clause 3 of this Agreement shall be binding on Parties hereto.

4 TRANSFER OF SHARES

- 4.1 No Party shall, directly or indirectly, Transfer which includes sell, gift, mortgage, alienate, hypothecate, pledge, encumber etc any Shares held by them except as specifically set out in this Agreement.
- 4.2 If any Party ("**Transferring Party**") wishes to transfer any or all of Shares held by him ("**Transfer Shares**") to another Person (other than those set out in Clause 4.2), the Transferring Party shall first offer to Transfer the Transfer Shares to the Other Parties of TND Family by providing a written notice to ("**Transfer Notice**") which shall contain (i) the number of Transfer Shares proposed to be transferred; and (ii) the price for the Transfer Shares calculated in accordance with Clause 4.10 ("**Transfer Price**") and other material terms on which the Transfer Shares are proposed to be sold ("**Transfer Terms**").
- 4.3 Within 30 days following receipt of the Transfer Notice by the members or the TND Family ("**Notification Period**"), they shall be entitled to notify to the Proposed Transferor by way or a written notice, either (i) his acceptance of the Transfer Terms and the exercise of his right to purchase all of the Transfer Shares ("**Acceptance Notice**"; or (ii) his refusal to exercise his right to purchase the Transfer Shares ("**Refusal Notice**"; (iii) or that he waives his right of first refusal ("**Waiver Notice**").

- 4.4 If all other members of the TND Family send Waiver Notices or Refusal Notices, or fail to issue an Acceptance Notice, Waiver Notice or a Refusal Notice within the Notification Period (in which case the members of the TND Family shall be deemed to have waived their right of first refusal), then the provisions of Section 5 shall apply.
- 4.5 If only one or some of the TND Family members issues an Acceptance Notice to the Proposed Transferor ("**Accepting Party**"), the Proposed Transferor shall be bound to sell all of the Transfer Shares to such member of the TND Family at the Transfer Price and on the Transfer Terms mentioned in the Transfer Notice.
- 4.6 If more than one member of the TND Family issues an Acceptance Notice to the Proposed Transferor, such that there is more than 1 (One) Accepting Party, and subject to any agreement between such Accepting Parties, the Proposed Transferor shall be bound to sell all of the Transfer Shares to such Accepting Parties pro rata to their existing shareholding or such other proportion as may be mutually decided between the relevant Accepting Parties and the Proposed Transferor in writing, at the Transfer Price and on the Transfer Terms mentioned in the Transfer Notice.
- 4.7 Subject to the terms of this Agreement and any specific directions or instructions mentioned in the Transfer Notice, (i) the Accepting Party shall be obligated to make payment for the Transfer Shares, and (ii) closing of the sale and purchase of the Transfer Shares between the Accepting Party and the Proposed Transferor, shall occur within a maximum period of 1 (One) Month from the date of the Acceptance Notice at a time and place mutually acceptable to the Accepting Party and the Proposed Transferor.
- 4.8 In the event that any one or more Accepting Parties select to acquire the Transfer Shares from the Transferring Party, the Accepting Parties shall notify the Transferring Party of the same.
- 4.9 The Transferring Party and the Accepting Party(ies) shall enter into discussions to arrive at a mutually acceptable agreement as regards the transfer of the Transfer Shares from the Transferring Party to the Accepting Party(ies) in accordance with the timelines set out in Clauses 4.7. In the event that the Transferring Party and the Accepting Party(ies) are unable to arrive at a mutually acceptable agreement in this regard, the Transferring Party shall be free to transfer the Transfer Shares to any Person.
- Isorn. Phom*
Adhazili
KD *M*

- 4.10 In all cases the Transfer Shares shall comprise 10,000 (Ten Thousand) Shares or its multiples then the Transfer Price shall be calculated on the formula as set out hereunder . –

(A) EBITA of last Financial Year Audited

(B) Multiply Factor - 6 Multiple

(C) Total Borrowing which includes Term Loan plus Unsecured Loan plus Working Capital Loan and excludes Non Funded Loan as per Nationalised Bank

(D) Number of Shares

$$\text{Share Price} = \frac{(A \times B) - C}{D}$$

- 4.11 Under no circumstances the shares can be transferred to an entity or person carrying out business in competition with the Company

5 TRANSMISSION OF SHARES

It is agreed among the members that, upon the death of any member of TND Family the Shares owned by such member shall devolve in accordance with the last will and testament of such Party or if such member has died intestate, in accordance with the personal law of such member .Furthermore it is expressly agreed that if any relative of the members if TND Family inherit any Shares, then, in accordance with the intent of the members, all such relatives shall be bound by the terms of this Agreement as they were parties hereto. Furthermore such relatives shall execute as soon as may practicable , a Deed of Adherence . In case the Shares are held jointly, then the Shares are transferred to the joint holder and if the Nomination is registered the nominee is entitled to the Shares, however the same shall be last in the hierarchy in the control and management as per clause 2 .

6 RESOLUTION OF DISPUTES

- 6.1 During the lifetime of TND, the members agree that if any dispute arises during the subsistence of this Agreement or thereafter, in connection with any matter or issue arising out of or connected with this Agreement ("Dispute"), then any dispute

Tuan N. Thonia
Apharia
[Signature] *[Signature]*

between all or any of the Parties , the same shall be referred to an independent sole arbitrator appointed by TND for arbitration of the Dispute under the provisions of the Indian Arbitration and Conciliation Act, 1996, and resolved in accordance with his directions in this regard, which shall be final and binding on all Parties.

- .6.2 After the demise of or in the event of any incapacity of TND, any Disputes between the Parties shall be resolved in the manner set out in Clause 6.1 above, except that all references to TND shall be replaced with references to KTD. After the demise of or in the event of any incapacity of both TND and KTD, any Disputes between the Parties shall be resolved in the manner set out in Clause 6.1 above, except that all references to TND shall be replaced with references to ATD and then MTD

7 CONFIDENTIALITY

- 7.1 Each of the Parties agree not to disclose any information in relation to the existence of this Agreement, matters contemplated by this Agreement or its performance or in any agreement in furtherance of the performance of this Agreement ("**Confidential Information**"), to any Person, except as set out in this Clause 7.

- 7.2 Clause 7.1 shall not prohibit disclosure or use of any information if and to the extent that:

7.2.1 the disclosure is required by applicable law, any governmental authority having jurisdiction over the disclosing Party or the rules and regulations of any recognized stock exchange on which the securities of the disclosing Party or any of its Affiliates are listed;

7.2.2 the disclosure or use is required for the purpose of any judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement or the disclosure is reasonably required to be made to a governmental authority in connection with the taxation affairs of the disclosing Party;

Tenor N. Ghonia
Adhwar
KH *M*

7.2.3 the disclosure is made to professional advisers of the disclosing Party on terms that such professional advisers accept such information under a duty of confidentiality; or

7.2.4 the information becomes publicly available (other than by a breach of this Clause 7.1).

8. NON COMPETITIVE

8.1 Each of the Parties agree not to own, manage, operate, consult or be in a business substantially similar to, or be competitive with , the present business of the Company or such other business activity in which the Company may be substantially be engaged in

9. MISCELLANEOUS PROVISIONS

9.1 Amendments

No modification or amendment of this Agreement and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by all the Parties.

9.2. Assignment

This Agreement and the rights and liabilities hereunder shall bind and inure to the benefit of the respective successors of the Parties hereto, but no Party hereto, shall assign or transfer any of its rights and liabilities hereunder to any other person without the prior written consent of the other Parties which shall not be unreasonably withheld

9.3. Entire Agreement

This Agreement constitutes the entire Agreement among the Parties with respect to the subject matter herein and supersedes and cancels any prior oral or written agreement, representation, understanding, arrangement, communication or expression of intent relating to the subject matter of this Agreement. This Agreement shall be binding to the Parties even if there is change in constitution and even if Company enters into Joint venture or Appoints a Strategic partner or declares Public Equity

Tosin A. Olorunle
Adinola
VGP *M*

9.4. Further Assurances

Each of the Parties shall, at all times, act in good faith in the discharge of their obligations under this Agreement and not do anything which would constitute a contravention of its terms. Each Party shall do all such acts, deeds and things and execute all such deeds, documents and writings as may be necessary for the consummation of the transactions set out in this Agreement in the manner contemplated hereunder.

9.5 Severability

If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, unenforceable or prohibited to any extent by Applicable Law, this Agreement shall be considered divisible as to such provision and such provision shall be inoperative and shall not be part of the consideration moving from any Party hereto to the other(s), and the remainder of this Agreement and the application of such provision to Persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby and each provision of this Agreement shall be valid, enforceable and binding and of like effect to the fullest extent permitted by Applicable Law. In the event any provision of this Agreement is held to be invalid or unenforceable, the Parties shall mutually discuss to arrive at a provision which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.

9.6. Specific Performance

The Parties agree that damages may not be an adequate remedy and the Parties shall be entitled to an injunction, restraining order, right for recovery, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the other Parties hereto from committing any violation or enforce the performance of the covenants, representations and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Parties may have at law or in equity, including a right for damages.

Therese L. Thomas
Athena
M

.9.7 Counterparts

This Agreement may be executed in any number of separate counterparts, each of which is an original but all of which taken together shall constitute one and the same instrument. The delivery of signed counterparts by facsimile transmission or electronic mail in "portable document format" (".pdf") shall be as effective as signing and delivering the counterpart in person.

.9.8 No Waiver

No failure to exercise and no delay in exercising on the part of any of the Parties any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

[remainder of this page intentionally left blank; signature pages follow]

Tyson V. Phome

Adharia

KD
M

IN WITNESS WHEREOF THE PARTIES HERETO HAVE SET AND SUBSCRIBED
THEIR RESPECTIVE HANDS TO THESE PRESENTS ON THE DAY, MONTH AND
YEAR HEREINABOVE WRITTEN

Signed and delivered by MR.TUSHAR NATVERLAL DHARIA Date: 26/09/2017	<u>Tushar N. Dharia</u>
Signed and delivered by MR.KUNAL TUSHAR DHARIA Date: 26/09/2017	<u>Kunal Dharia</u>
Signed and delivered by MRS.AMI TUSHAR DHARIA Date: 26/09/2017	<u>Adharia</u>
Signed and delivered by MS MANSI TUSHAR DHARIA Date: 26/09/2017	<u>Mansi T. Dharia</u>
Signed and delivered by TUSHAR NATVERLAL DHARIA HUF Date: 26/09/2017	<u>Tushar N. Dharia</u>

SCHEDULE I

HOLDER REFERENCE	FOLIO NUMBER	NAME OF FIRST HOLDER	NAME OF SECOND HOLDER	NUMBER OF SHARES	FACE VALUE PER SHARE (RS.)
TND	T000004	TUSHAR NATVERLAL DHARIA	AMI TUSHAR DHARIA	1,30,000	10.00
KTD	K000002	KUNAL TUSHAR DHARIA	TUSHAR NATVERLAL DHARIA	90,000	10.00
ATD	A000003	AMI TUSHAR DHARIA	TUSHAR NATVERLAL DHARIA	60,000	10.00
MTD	M000002	MANSI TUSHAR DHARIA	TUSHAR NATVERLAL DHARIA	70,000	10.00
TND	T000002	TUSHAR NATVERLAL DHARIA - HUF		60,000	10.00
			TOTAL	4,10,000	

Tushar N. Dharmee
Adharice

[Signature]

