



महाराष्ट्र MAHARASHTRA

2023

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प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. ८००००९५
14 SEP 2023
सक्षम अधिकारी

श्रीमती लता सांगळे

SHARE PURCHASE AGREEMENT

dated this September 21 2023

between

Mr. Dheeraj Shah
(Seller)

Prabhat Capital Investments Limited
(Purchaser)

Share Purchase Agreement ("SPA")



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महाराष्ट्र MAHARASHTRA

2023

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SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT (this "Agreement") is made on September 21, 2023-between:

1. **MR. DHEERAJ SHAH**, an Indian inhabitant, residing at near Damodar Wadi, A-23, Flat-12 Akash Building, Jalawad Nagar, Ashok Nagar, Kandivali East, Mumbai, Maharashtra -400101. (hereinafter referred to as a "Seller" which expression shall mean and include unless it be repugnant to the context or meaning thereof, be deemed to mean and include his respective legal heirs, successors and permitted assigns); of the **FIRST PART**;
2. **PRABHAT CAPITAL INVESTMENTS LIMITED**, (PAN AAMCP5837B) a Company incorporated under the provisions of Companies Act 2013 and having its registered office at 402, Fourth Floor, Western Edge 1 Western Express Highway, Borivali East, Mumbai City, Maharashtra-400066. (hereinafter referred to as the "**Purchaser**", which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include their respective heirs, executors, administrators, successors and permitted assign successors and assigns) of the **SECOND PART**;



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WHEREAS:

- A. The Seller is a registered shareholder and beneficial owner of 6,34,688 fully paid up equity shares Face Value of Rs. 10/- (Rupees ten only) each of Essar (India) Limited, a Company incorporated under the Companies Act, 1956 having its registered office at shop number 6, Prathmesh Avenue, Datta Mandir Road, Malad (East), Mumbai-400097 (hereinafter referred to as the “Target Company”);
- B. The Seller desires to sell a total of 6,34,688 fully paid up equity shares of Face Value of Rs. 10/- (Rupees ten only) each comprising a total of 3.10% of the present total paid up equity share capital of the Company;
- C. The shares of the Target Company are listed on BSE Limited, Mumbai (BSE);
- D. The Purchaser desire to acquire the Target Company and has approached the Seller who has agreed to sell the Sale Shares held by the Seller, free from all encumbrances, on the terms set out in this Agreement.

NOW THEREFORE, in consideration of, and subject to, the mutual covenants, agreements, terms and conditions herein contained the mutual benefits to be derived therefrom and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Definitions and Interpretation

1.1 Definition. In this Agreement (*including the recitals*), except where the context otherwise requires, the following words and expressions shall have the following meanings:

"Act" shall mean the Companies Act, 2013 (*and to the extent any provisions of the Companies Act, 1956, continue to be in force, such of those provisions that continue to be in force*);

"Agreement" shall mean this Share Purchase Agreement and all modifications from time to time (*entered into in writing in accordance with its terms*), attachments and schedules to this Agreement;

"Applicable Law" shall mean any applicable national, provincial, local or other laws, regulations, rules, administrative orders, ordinances, constitution, decree, principles of common law, binding governmental policies, statute or treaty, and shall include notifications, guidelines, policies, directions, directive, injunctions, judgements, awards, decrees and orders of any Governmental Authority (*including any approvals from any Governmental Authority*);

"Encumbrance" shall mean (i) any mortgage, charge (*whether fixed or floating*), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but



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which has an economic or financial effect similar to the granting of security under Applicable Law, (ii) any power of attorney, voting trust agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person, and (iii) any adverse claim as to title, possession or use;

"Equity Shares"

shall mean equity Shares of the Company with a face value of Rs.10- each;

"Execution Date"

shall mean the date of execution of this Agreement;

"Governmental Authority"

shall mean (i) any nation or government or any province, state or any other political subdivision thereof; (ii) any entity, authority or body exercising executive, legislative, judicial, regulatory, self-regulating or administrative functions of or pertaining to government, including any governmental or semi-governmental authority, agency, department, board, body, commission or instrumentality, (iii) any court, tribunal or arbitrator; (iv) any securities exchange or body or authority regulating securities exchange; (v) the Registrar of Companies, Mumbai;

"Litigation"

includes all suits, civil and criminal actions, arbitration proceedings, and all legal proceedings of any nature whatsoever, including administrative proceedings, pending, whether before any court, judicial or quasi-judicial or regulatory authority, tribunal, Governmental Authority or any arbitrator or arbitrators;

"Manager to the Open Offer"

shall mean Fedex Securities Private Limited, a company incorporated under the Act having its registered office at B7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (E), Mumbai Maharashtra 400057 India, registered with the SEBI as a Category 1 Merchant Banker under the Securities and Exchange Board of India (Merchant Bankers) Regulations 1992, who has been appointed by the Purchaser as Manager to the Open Offer in accordance with Regulation 12 of the Takeover Regulations

"Material Adverse Effect"

shall mean the occurrence of any event, change, circumstance or development or effect, occurring between the Execution Date and the Closing that individually or in the aggregate is or is reasonably likely to (a) have a material adverse effect to the Business, operations, prospects, condition (*financial or otherwise*), properties (*including intangible properties*), assets (*including intangible assets*) or liabilities of the Company or (b) materially hinders or delays the ability of the Seller and / or Company to consummate the Transaction, or (c) materially hinders the ability of the Company to operate its Business substantially in the manner previously conducted



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"Open Offer"	shall mean the announcement of the offer for the purchase of Equity Shares held by the public shareholders of the Company, required to be made by the Purchaser under the provisions of the Takeover Regulations following the execution of this Agreement;
"Open Offer Escrow Agreement"	shall mean, the escrow agreement executed among the Open Offer Escrow Agent, the Purchaser and the Merchant Banker on or about the date of this Agreement;
"Open Offer Escrow Account"	shall mean the escrow account(s) established pursuant to the Open Offer Escrow Agreement;
"Party"	shall mean the Seller or the Purchaser severally and "Parties" shall mean any two or all of the Seller and the Purchaser, jointly, as the context may require;
"Person"	shall mean a juristic person, individual, company, corporation, partnership, limited liability partnership, association, trust or other entity or organisation, including a government or political subdivision or an agency or instrumentality thereof;
"PIT Regulations"	shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
"Promoters"	shall have the same meaning as ascribed to the term in the Takeover Regulations, and for the purpose of this Agreement, wherever applicable, shall include terms and expressions, "promoter group", "co-promoter" and such other cognates thereof;
"Public Announcement"	shall mean the public announcement under Regulation 13(1) of the Takeover Regulations and other provisions of the Applicable Law, if any, in respect of the Open Offer to be made by the Purchaser to the public shareholders of the Company under Regulations 3 to 5 of the Takeover Regulations;
"Purchase Consideration"	shall mean an amount of Rs 31,73,440 (Rupees Thirty-One Lakhs Seventy Three Thousand Four Hundred and Forty) Only;
"RBI"	shall mean Reserve Bank of India;
"Rupees" or "Rs." or "₹"	shall mean Indian Rupees being the currency of India;
"Sale Shares"	shall mean upto a maximum of 6,34,688 equity shares of the face value of ₹10 each, constituting 3.10% of the Share Capital of the Company registered in the name of the Sellers and all rights, benefits and entitlements attached or accruing thereto;
"SEBI"	shall mean Securities and Exchange Board of India;



"Sellers' Representations and Warranties"

shall mean the representations and warranties issued by the Sellers to the Purchaser in respect of the Transaction and as more particularly contained in Clause 6.1 read with **Schedule I**;

"Share Capital"

shall mean the entire capital of the Company and issued and allotted share capital, called up share capital and paid-up share capital shall be construed accordingly;

"Shares"

shall include all kinds of shares and also include any security, instrument or right entitling or enabling the allottee or holder thereof to acquire (*whether vested, deferred, convertible or contingent*), whether directly or indirectly, shares of, beneficial interest or voting rights in the Company (*as adjusted for any stock splits and stock combinations*);

"Takeover Regulations"

shall mean the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

"Target Company"

shall have the meaning ascribed to the term in Recital of this Agreement; and

"Transfer"

shall mean (*in either the noun or the verb form including, with respect to the verb form, all conjugations thereof within their correlative meanings*) with respect to any Shares, the sale, creation of Encumbrance or other disposition (*whether for or without consideration or, whether directly or indirectly*) of any such Shares or any interest therein;

- 1.2 **Interpretation.** In this Agreement, unless the context requires otherwise:
- 1.2.1 certain general terms used in this Agreement, and defined or having a meaning ascribed thereto in the Act or the Takeover Regulations, shall have the same meaning as ascribed in such statutes, by way of illustration, '*general body meeting*', '*shareholder*', '*promoter*', '*promoter group*';
 - 1.2.2 heading and bold typeface are only for convenience and shall be ignored for the purpose of interpretation;
 - 1.2.3 the Preamble, Schedules and Annexures form an integral part of this Agreement;
 - 1.2.4 a reference in this Agreement to a document (*including this Agreement*) includes any amendment or replacement of it;
 - 1.2.5 a clause, annexure or schedule is a reference to a Clause in or Annexure or Schedule to this Agreement;
 - 1.2.6 words using the singular or plural also include the plural or singular, respectively;
 - 1.2.7 the terms "*hereof*", "*herein*", "*hereby*", "*hereto*" and derivative or similar words refer to this entire Agreement or specified clauses of this Agreement, as the case may be;



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- 1.2.8 reference to any of the words "*include*", "*including*", "*for example*", "*such as*", is not used as, nor it is to be interpreted as, a word of limitation and when introducing an example, does not limit the meaning of the word to which the example relates, to that example or examples of a similar kind;
- 1.2.9 any reference to a document in '*Agreed Form*' is to a document in a form agreed between the Sellers and the Purchaser and initialled for the purpose of identification by or on behalf of each of them (*in each case with such amendments as may be agreed by or on behalf of the Parties*);
- 1.2.10 any reference to any statute shall be construed as including all statutory provisions consolidating, amending or replacing such statute;
- 1.2.11 references to a document, instrument and agreement are references to such document, instrument and agreement (including schedules thereto and, where applicable, any of its provisions) as amended, modified, varied, supplemented, novated or replaced and in effect at the time any such reference is operative;
- 1.2.12 a disclosure of an item in writing referring to a specific Article or Clause of this Agreement or a specific Clause of any Schedule and/or Annexure shall be deemed to be a disclosure only for the purpose of that Article or Clause and not for the purpose of any other provision of this Agreement;
- 1.2.13 references to the knowledge, information, belief or awareness of any person shall be deemed to include the knowledge, information, belief or awareness such person would have if such person had made due and careful enquiry;
- 1.2.14 where the consent or approval of a Party to this Agreement is required hereunder to any act, deed, matter or thing such requirement shall in the absence of any express stipulation to the contrary herein mean, the prior consent or approval (*as the case may be*) in writing;
- 1.2.15 the term "*notice*" wherever used in the Agreement shall in the absence of any express stipulation to the contrary herein mean, the prior notice in writing;
- 1.2.16 an agreement, representation or warranty in favour of 2 (*two*) or more persons is for the benefit of them '*jointly and severally*';
- 1.2.17 an agreement, undertaking, covenant, representation or warranty on the part of 2 (*two*) or more persons binds them '*jointly and severally*';
- 1.2.18 time is of the essence in the performance of the Parties' respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence;
- 1.2.19 if a period of time dates from a given day or the day of an act or event, it is to be calculated exclusive of that day;
- 1.2.20 a day is to be interpreted as the period of time commencing at midnight and ending 24 (*twenty four*) hours later;
- 1.2.21 reference in this Agreement to certain number of days shall mean calendar days unless otherwise specified to be Business Days;
- 1.2.22 if an event must occur on a stipulated day which is not a Business Day then the stipulated day will be taken to be the next Business Day;
- 1.2.23 if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- 1.2.24 capitalised terms used in this Agreement but not defined in this Clause 1 (*Definitions*) above shall have the meanings given to them wherever such terms first appear in this Agreement; and



- 1.2.25 reference to anything including any amount is a reference to the whole and each part of it;
- 1.2.26 the Parties have participated jointly in the negotiation and drafting of this Agreement, and in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

2. Agreement to sell Shares along with payment of consideration

2.1 Transfer of shares and open offer:

The Purchaser have agreed to purchase the Sale Shares and the Seller has agreed to sell the Sale Shares and Control over the Company and the Parties have agreed that the Purchaser will achieve this by way of (i) acquiring the Sale Shares from the Seller; ii) acquiring the Acquired Public Shares; and (iii) acquiring the shares held by the Public Shareholders, subject to such percentage mandated as the minimum percentage by the Applicable Laws either by its self or through person acting in concert and / or its nominees, of the Share Capital of the Company in the Open Offer made to the Public Shareholders of the Company pursuant to entering into the Transaction Documents.

2.2 Purchase and Sale of Sale Shares:

Subject to the terms and conditions of this Agreement and in the manner provided hereinafter, the Seller shall sell and transfer and the Purchaser, shall purchase and acquire from the Seller the Sale Shares, free from all Encumbrances or other restrictions whatsoever and together with all rights and advantages accruing thereto at the Closing, subject to the receipt of the requisite Authorisations, if any, required in this regard, on payment of the Purchase Consideration, together with all rights, benefits and entitlements thereto, whether past or present.

2.3 The sale shares shall be transferred by Seller to the Purchaser within stipulated time of receipt of full and final consideration of Rs. 31,73,440 (Rupees Thirty One Lakhs Seventy Three Thousand Four Hundred and Forty) of SPA.

2.4 The Purchase Consideration for the shares shall be at the rate of Rs.5 per share.

3. Conditions Precedent

3.1 Conditions to Obligations of the Purchaser:

The obligations of the Purchaser to purchase the Sale Shares contemplated by this Agreement are subject to the satisfaction (*or waiver, in whole or in part, by the Purchaser in its discretion where permissible under the Applicable Laws*) of the following conditions:

3.1.1 Statement of Dematerialized Accounts:

The Seller shall have delivered to the Purchaser a statement of the dematerialized account of each of the Seller as evidence that such Seller is the beneficial owner of such number of Sale Shares;

3.1.2 RBI Approval:

The Company shall and the Seller shall have caused the Company to obtain prior approval of the RBI under the Non-Banking Financial Companies (Approval of Acquisition or Transfer of Control) Directions, 2014 as amended from time to time for consummating the Transaction contemplated under this Agreement;



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3.1.3 Public Notice:

The Parties shall, on receipt of the approval of the RBI under Clause 3.1.2, issue/ publish a public notice of at least thirty (30) days indicating the intention to sell or transfer ownership / control, the particulars of transferee and the reasons for such sale or transfer of ownership / control in at least one leading national and in one leading local (covering the place of registered office) vernacular newspaper;

3.1.4 Actions required before proceeding with the Open Offer:

The Sellers shall have caused the Company to fulfill all the conditions and take such necessary actions/ settlements/ arrangements as they may be required to be taken before the Closing in accordance with the observations of the SEBI to the satisfaction of SEBI;

The Promoters giving an undertaking to the effect that, subject to Closing, the Promoters would be ceased to be the Promoters of the Company

3.1.5 Audited Accounts:

The Seller shall have delivered to the Purchaser certified copies of the audited Accounts of the Company as on the March 31, 2023 and limited review accounts of the Company for the 6 months period ended September 30, 2023;

3.1.6 Sellers' Representations and Warranties:

The Seller shall have delivered a respective certificate to the Purchaser confirming that the Sellers' Representation and Warranties in Clause 6.1 read with **Error! Reference source not found.** are true and correction and as of the Closing, with the same effect as though such representation and warranties had been made on and as of the date of the Closing, unless such Sellers Representation and Warranties are made with reference to a specific time;

3.1.7 Authorisations & third party approvals:

The Seller the Company shall have received Authorisations, third party approvals and requisite corporate and regulatory approvals from the Governmental Authority, if any, required for the consummation of the Transaction.

3.1.8 Material Adverse Effect:

There shall not have occurred any event that shall result in a Material Adverse Effect;

3.2 Fulfilment of the Conditions Precedent:

On fulfilment of the Conditions Precedent, the Sellers shall (and shall cause the Company to provide a written confirmation of the same (the "**CP Certificate**") in the Agreed Form set out in **Annexure 1** to this Agreement to the Purchaser. The Company and the Sellers shall provide the CP Certificate to the Purchaser, within 2 (two) Business Days of fulfilment (or waiver by the Purchaser, as the case may be), of all the Conditions Precedent.

3.3 Condition to Obligations of the Seller:

The obligations of the Seller to sell the Sale Shares to the Purchaser contemplated by this Agreement are subject to the satisfaction (or waiver, in whole or in part, by the Seller in their discretion) of the following conditions:



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3.3.1 Open Offer Escrow Account:

The Purchaser shall within five (5) Business Days from the Execution Date (the "**Open Offer Escrow Deposit Date**"), open with the Open Offer Escrow Agent the Open Offer Escrow Account and deposit 100% (*Hundred per cent*) of the Open Offer Consideration in respect of the Open Offer Shares in the Open Offer Escrow Account in accordance with the Takeover Regulations;

3.3.2 Actions required before proceeding with the Open Offer:

The Purchaser shall fulfill all the conditions and take such necessary actions / settlements / arrangements as are required to be taken by the Purchaser under this Agreement before the Closing Date;

3.4 If, at any time, any Party becomes aware of any circumstances that will or may give rise to non-fulfilment of any of the Conditions Precedent or obligations to be performed by it before the Closing Date, then such Party shall promptly give to the other Party, notice of the written particulars of those circumstances and the Parties shall co-operate fully with a view to procuring fulfilment of the relevant condition.

3.5 The Purchaser may waive all or any of the conditions in Clause 3.1 and the Sellers may waive all or any of the conditions in Clause 3.3 (*as the case may be, where permissible by the Applicable Laws*) in whole or in part at any time by notice in writing to the other Party or postpone the performance of that condition beyond the Closing.

3.6 If any of the Conditions Precedent, is not fulfilled by the Closing Date, the Parties will mutually discuss and decide the further course of action which may include extension of the period for achieving the satisfaction of the Conditions Precedent or termination of this Agreement in accordance with Clause 9 below.

4. Closing

4.1 Closing:

Subject to the Takeover Regulations, the Closing shall take place at mutually agreed time on the fulfilment of the Conditions Precedent set out in Clause 3, unless the Parties mutually decide to waive or postpone in writing the requirement to perform any such condition, or such other date, place or time as the Parties shall mutually agree upon (the "**Closing Date**").

4.2 On the Closing Date:

On the Closing Date the following as specified below in this Clause 4.2 and Clause 4.4, shall occur simultaneously:

4.2.1 the Seller shall provide to the Purchaser with the undated signed depository participant slip in relation to the transfer of Sale Shares and shall give the necessary instructions to the depository participant (in such form as may be prescribed by the depository participant) for the transfer of the Sale Shares in favour of the Purchaser;

4.2.2 the Purchaser shall pay the Purchase Consideration to the Seller to their designated bank account as provided in **Schedule 1**;

4.2.3 the Seller or their representatives shall deliver to the Purchaser unconditional and irrevocable letters, in the agreed Form, from the Sellers Directors being the existing directors on the Board, stating that their resignation from the Board shall be effective as of Closing Date and confirming



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that the Seller has no claim against the Company as on the Closing, whether for loss of office or otherwise;

- 4.3 The Seller shall cause each of their respective DP (i) to duly acknowledge such instructions, and to deliver a copy of such acknowledgement to the Purchaser, and (ii) to take appropriate steps to credit the Sale Shares to the demat account of the Purchaser.
- 4.4 Upon completion of the transfer of Sale Shares to the Purchaser the Company shall conduct a meeting of its Board, at which meeting the Board will:
- 4.4.1 take on record, the transfer of the Sale Shares to the Purchaser and acknowledge that they are the majority shareholder and promoter of the Company;
- 4.4.2 be reconstituted by the appointment of directors, nominated by the Purchaser as the directors of the Company in due course of time;
- 4.4.3 take on record, the reconstitution of the Committees of the Board;
- 4.5 Intimation to Regulatory Authorities: Within specified period prescribed under the Applicable Law, the Parties shall (and the Purchaser shall cause the Company to) make the required filings under Regulation 13(3) of the PIT Regulation, Regulation 29 of the Takeover Regulations and under such other statutes, if any, under the Applicable Law.
- 4.6 Designation as Promoters: Immediately after Closing, the Parties have agreed that the Purchaser will be designated as "**Promoters**" (as defined hereinafter) of the Company and the Sellers shall cease to have any Control over the affairs of the Company and will also cease to be "**Promoters**" or "**co-promoters**" of the Company or part of the "**promoter group**".
- 4.7 The Seller has agreed that after completion of the Transaction, the Seller shall hand over the Control of the Target Company to the Purchaser and shall do all such acts and deeds as may be required to effectuate the Transaction.
- 4.8 Sellers Assistance to Open Offer:

The Sellers shall provide complete assistance to the Company and the Purchaser with the Open Offer process including the making of the relevant applications and offer documents and providing necessary information and documents thereto.

5. Covenants up to Closing

- 5.1 The Seller shall not dispose of any interest in any or all of the Sale Shares or grant any option or right of pre-emption over, or mortgage, charge or otherwise Encumber all or any of them, during the Preservation Term; and in relation to the Company, the Promoters shall ensure that the Company shall not, without the prior written consent of the Purchaser:
- 5.1.1 provide any loan to any of its group companies or any third party in the Ordinary Course or otherwise;
- 5.1.2 create any Encumbrance over its business or assets;
- 5.1.3 enter into any contract or commitment, make any loan or enter into any leasing, hire purchase or other agreement or arrangements for payment on deferred terms;
- 5.1.4 enter into any transactions with the Relatives of the Promoters or with Related Parties (as defined under Companies Act, 2013);



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- 5.1.5 declare, make or pay any dividend or other distribution;
- 5.1.6 enter into any discussions with any third party for an Alternate Transaction;
- 5.1.7 create, issue, purchase or redeem any class of share or loan capital (whether equity or debt and whether or not convertible into equity share) or in any way change the rights of the existing Shares in its Share Capital;
- 5.1.8 do or omit to do or cause or allow to be done or omitted to be done any act or thing which would result (*or be likely to result*) in a breach of any of the Sellers' Warranties;
- 5.1.9 change the par value of or rights attached to any of the Shares;
- 5.1.10 take any action for or resulting in (i) the amendment or modification of the Articles of Association, except those amendments or modification required to be carried out in the Articles of Association pursuant to the Transaction Documents, and/or (ii) reorganisation, consolidation, merger, sale of assets or acquisition of any corporation, any firm or entity or otherwise by the Company;
- 5.1.11 carry out any action towards liquidation, dissolution or winding up of the business of the Company;
- 5.1.12 incur any expenditure, or enter into any contract or commitment;
- 5.1.13 make any change in the Business;
- 5.1.14 agree, conditionally or otherwise, to do any of the foregoing.
- 5.2 The Sellers shall, (and the Sellers shall ensure the Company shall) until the Closing Date, unless otherwise agreed by the Purchaser:
 - 5.2.1 maintain its corporate existence and its right to carry on operations and conduct its Business in a proper efficient manner and in compliance with all Laws, regulations, Authorisations, agreements and obligations applicable to it;
 - 5.2.2 maintain the books and records in the usual manner and not permit a material change in any underwriting, investment, financial reporting, tax, or accounting practice or policy or in any assumption underlying such a practice or policy;
 - 5.2.3 obtain and promptly renew and comply with, all consents and Authorisations which may be required under any Applicable Laws or regulation to enable it to perform the Business;
 - 5.2.4 refrain from violating, breaching, or defaulting, and from taking or failing to take any action that (*with or without notice or lapse of time or both*) would constitute a violation, breach, or default under, any term or provision of any Laws or regulation or contract to which the Company is a party or by which any of its Assets is or may be bound or that would (a) prevent or invalidate the consummation of the Transaction contemplated by the Transaction Documents or (b) cause the Transaction Documents and the Transaction contemplated hereby to violate any Applicable Laws; and
- 5.3 The Seller shall immediately notify the Purchaser in writing of any matter or thing which arises or becomes known to it before the Closing which constitutes (*or would after the lapse of time constitute*) a misrepresentation or a breach of any of the Sellers' Representation and Warranties or covenants or the undertakings or other provisions set out in this Agreement.
- 5.4 The Seller shall co-operate with the Purchaser and provide all necessary assistance (*including necessary information*) in relation to (a) the public announcement including the detailed public



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statement and the Open Offer to be made by the Purchaser under the Takeover Regulations pursuant to this Agreement and any issues that may arise from any Governmental Authority; and (b) the statutory approvals, if required and sought by the Purchaser.

5.5 Open Offer:

The Purchaser undertakes that they shall comply with its obligations to complete the Closing and Open Offer in accordance with the Takeover Regulations.

6. Representations and Warranties

6.1 Sellers Warranties:

The Seller makes and gives, to the Purchaser, the representations and warranties contained in **Schedule II** (the "**Sellers' Representation and Warranties**"). The Seller Representation and Warranties are true and correct and valid and binding, notwithstanding any information or document furnished to or findings made by the Purchaser and no such information, document or finding shall limit or narrow the scope of the Sellers' liability hereunder.

6.2 Separate Warranty:

Each of the Sellers Representation and Warranties shall be construed as a separate representation, warranty, covenant or undertaking, as the case may be, and shall not be limited by the terms of any other representation or warranty or by any other term of this Agreement.

6.3 Qualification:

No Sellers Representation and Warranties shall be deemed to qualify any other representation. The Sellers agree that the Sellers Representation and Warranties and indemnity have constituted a material inducement to the Purchaser to enter into this Agreement and to enter into the other Transaction Documents to which it has become a party.

6.4 The Sellers Representation and Warranties shall be deemed to be repeated as at Closing (unless the relevant Sellers Representation and Warranties is made with reference to any specified time) as if they were made on and as of the Closing Date and all references therein to the date of this Agreement were references to the Closing Date.

6.5 The Sellers shall give the Purchaser prompt notice of any event, condition or circumstance occurring from the date hereof until the Closing Date that would constitute a violation or breach of any of the Sellers Representation and Warranties as of any date from the Execution Date until the Closing Date, or that would constitute a violation or breach of any terms and conditions contained in this Agreement. In the event of a Warranty Breach (*as defined hereinafter*), the Purchaser shall be entitled to terminate this Agreement.

6.6 Purchaser Warranties:

The Purchaser hereby represents and warrants to the Sellers as follows:

6.6.1 The execution of this Agreement constitutes valid and legally binding obligations of the Purchaser, enforceable in accordance with its terms and the performance thereof does not contravene, violate or constitute a default of, or require any consent or notice under any provision of any agreement or other instrument to which the Purchaser are a party or by which the Purchaser are, or may be bound;



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6.6.2 There are no judicial or administrative actions, proceedings or investigations pending or overtly threatened against the Purchaser, which would have a material adverse effect on its capacity to perform its obligations under this Agreement.

7. Indemnification

7.1 Purchaser's Right of Indemnification

7.1.1 Subject to the Closing, the Sellers ("**Indemnifying Person**") hereby, jointly and severally, agree to indemnify and hold harmless the Purchaser and/or its affiliates, their respective directors, officers, representatives, employees and agents ("**Indemnified Persons**") promptly upon demand at any time and from time to time, from and against any and all Losses borne, paid and/or suffered by any of the foregoing persons which arise out of, or results from, in any way relate to or may be payable by virtue of:

- (a) any incompleteness, breach or inaccuracy of any of the Sellers Representations and Warranties;
- (b) any default or breach by them of any of their covenants and obligations under this Agreement or the Transaction Documents;
- (c) any Tax or Other liabilities payable by the Sellers or the Company and demanded against the Purchaser or the Company in respect of the Transaction and/ or the Business and arising out of transactions prior to the Completion Date, without regard to the actual time of payments, filing or assessments thereof
- (d) any wilful act, negligence or fraud by the Seller;
- (e) default or breach or non-compliance by the Seller of any Applicable Laws as may be applicable to the Company specifically with respect to any liability, contingent or otherwise, arising pursuant to any act, deed or omission of the Sellers or the Company pertaining to a period prior to the Closing Date whether such liability accrues, arise or becomes payable on or after the Closing Date by the Company or the Indemnified Parties.

7.2 Non-Exclusive Remedy

7.2.1 The remedies set forth in this Clause 7 shall be without prejudice to all the rights and remedies that the Purchaser may have under Applicable Law and shall not be the sole and exclusive remedies of the Purchaser for any breach of or any matter relating to any representation or warranty contained in this Agreement. The Purchaser shall be entitled to pursue any remedy that is available to it under Applicable Law.

7.2.2 It is further clarified that the Seller shall not claim any restitution from the Company in relation to any payments that may be made by it to the Purchaser and/or the Purchaser Indemnified Party pursuant to the terms hereof.

7.3 Appointment of counsel:

In the event any actions, suits, proceedings, claims, demands, assessments are initiated against the Indemnified Persons, the Indemnifying Persons shall appoint legal counsel, as may be required, to defend the Indemnified Persons and shall incur all the costs necessary for the same. Notwithstanding the aforesaid, in the event the legal counsel is appointed by the Indemnified Persons, the Indemnifying Persons shall reimburse the Indemnified Persons for all costs incurred by the Indemnified Persons for appointing the legal counsel and defending themselves.



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7.4 Indemnification Rights Not to be affected:

The right to indemnification of the Indemnified Parties or other remedy based on such representations and warranties, covenants and obligations of the Seller shall not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) at any time, whether before or after the Execution Date or the Closing Date, with respect to the accuracy or inaccuracy of or compliance with, any such representations, warranties, covenants or obligations. The waiver of any condition based on the accuracy of the representations or warranties, or on the performance of or compliance with any covenant or obligation, shall not affect the right to indemnification, payment of Losses, or other remedy based on such representations, warranties, covenants, and obligations.

7.5 Claim;

Any claim for indemnification pursuant to this Agreement shall be made by the Indemnified Persons by notice in writing to the Indemnifying Persons. The Indemnifying Persons shall reimburse the Indemnified Persons for all reasonable out-of-pocket expenses (including attorney's fees and disbursements) as are incurred in connection with investigating, preparing to defend or defending any such action, suit, claim or proceeding (including any inquiry or investigation) whether or not an Indemnified Person is a party thereto. If an Indemnified Person makes a claim hereunder for payment or reimbursement of expenses, such expenses shall be paid or reimbursed promptly upon receipt of appropriate documentation relating thereto, even if the Indemnifying Persons reserve the right to dispute whether this Agreement requires the payment or reimbursement of such expenses.

8. Compliance with Regulatory approvals

- 8.1 The sale and purchase of the sale shares shall be subjected to compliance with the provisions of the Takeover Regulations, as amended from time to time.
- 8.2 Since the Target Company is RBI registered Non- Banking Finance Company hence the sale and purchase of the shares shall be subject to approval and compliance of RBI Circular no. DNBR (PD) CC.No 065/03.10.001/2015-16 dated 9th July, 2015 as well as other compliances as directed by RBI.
- 8.3 In case of non-compliance, which might lead to dis approvals, this Agreement shall not be contingent upon any such approval.
- 8.4 If any such approval as mentioned in clause 3.3 is denied, it shall not affect the validity of this Agreement or transfer of the shares.

9. Termination

- 9.1 Save as otherwise agreed between the Parties in writing and without prejudice to the rights or obligations which may have accrued to or in respect of any Party under this Agreement, this Agreement may be terminated by either Party prior to the Closing on the following ground(s):
- 9.1.1 Mutual Termination. at any time by mutual consent of the Purchaser and the Sellers in writing;
- 9.1.2 By the Purchaser. by giving notice in writing to the Seller, if:



A handwritten signature in black ink that reads 'Raj Mani'.

- (a) there shall be in effect, any Applicable Law or an order, decree or judgement of a Governmental Authority after the execution of this Agreement, prohibiting the consummation of all or a material portion of the Transaction contemplated under this Agreement;
- (b) any material breach of the Sellers Warranties comes to the notice of the Purchaser or anything occurs which, had it occurred on or before the Execution Date, would have constituted a material breach of the Sellers Warranties;
- (c) the Seller is unable to perform their respective obligations under this Agreement and, where such obligation is capable of being performed, is not performed to the satisfaction of the Purchaser; or
- (d) anything occurs which constitutes a Material Adverse Effect and which situation (if capable of being cured) is not cured by the Sellers within a period of 60 (sixty) days of the receipt of notice to that effect from the Purchaser.
- (e) the Seller is declared insolvent, or bankrupt or is unable to pay its debts, .

9.1.3 By the Seller, by giving notice in writing to the Purchaser if:

- (a) there shall be in effect, any Applicable Law or an order, decree or judgement of a Governmental Authority after the execution of this Agreement, prohibiting the consummation of all or a material portion of the Transaction contemplated under this Agreement;
- (b) the Purchaser is unable to perform its obligation under this Agreement; or
- (c) the Purchaser is declared insolvent, bankrupt or industrially sick or is unable to pay its debts, or enters into a compromise or any arrangement with its creditors, or liquidation proceedings are commenced against the Purchaser, or in the event that a trustee, receiver or liquidator is appointed to take over all or a substantial part of the properties or if the Purchaser is liquidated or dissolved or any filing is made with a court or competent authority for any of the foregoing.

10. Miscellaneous

10.1 Successors and Assigns:

Except as otherwise provided herein, the terms and conditions of this Agreement shall be binding upon the respective successors of the Parties. Subject to the foregoing, nothing in this Agreement, express or implied, is intended to confer upon any party other than the Parties or their respective successors, any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. No rights, liabilities or obligations under this Agreement shall be assigned by any of the Parties hereto without the prior written consent of the other Parties hereto.

10.2 Counterparts:

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

10.3 Further Assurance:

The Parties shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the Transaction hereby contemplated, and each Party shall provide such further documents or instruments required by any other Party as may be



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reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing.

10.4 Expenses:

The cost and expenses, stamp duty including the payment of the professional fees in connection with the Transaction (collectively called as 'Transaction Costs') contemplated by this Agreement shall be borne by Purchaser.

10.4.1 In case termination of this Agreement under Clause 8, then each Party shall bear their respective Costs.

10.5 Amendments and Waivers:

Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (*either generally or in a particular instance and either retroactively or prospectively*), only with the written consent of the Parties.

10.6 Severability:

If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid, prohibited or unenforceable to any extent for any reason including by reason of any law or regulation or government policy, 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 one Party to another 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 and enforceable to the fullest extent permitted by law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.

10.7 Entire Agreement:

This Agreement and the documents referred to herein constitute the entire agreement between the Parties with respect to the subject matter hereof, and supersedes all prior oral and written agreements, representations, statements, negotiations, understandings, proposals and undertakings.

10.8 Confidentiality:

Each Party acknowledges that, pursuant to this Agreement, it may have access to certain information concerning the other Party, which is either confidential or proprietary in nature, whether received orally or in writing. All information given by one Party to the other, pursuant to and under this Agreement or any other documents executed will be deemed to be confidential information no matter whether it is labelled or not as confidential information by the disclosing Party. Each Party acknowledges and agrees that all confidential information whether disclosed orally or in writing, is the property of the disclosing Party and constitutes valuable, special and unique assets of the business of such Party. The Parties agree that the recipient of the confidential information shall neither disclose to any third party nor use for any purpose other than for the purpose of this Agreement, without prior written consent of the other Parties.



11. Governing Law and Jurisdiction

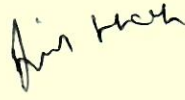
- 11.1 In respect of any matter arising out of this Agreement, the Parties agree that the laws of India as amended from time to time shall govern the interpretation, validity and performance of the terms of this Agreement and any matters or issues arising or any dispute arising out of this Agreement, the Parties agree to submit to the exclusive jurisdiction of the Courts of Mumbai, Maharashtra.



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IN WITNESS WHERE OF the parties hereto have executed this Agreement on this the _____ day of _____

SIGNED AND DELIVERED)
by and within named Seller)
Name: DHEERAJ SHAH
Add: Damodar Wadi, A-23,
Flat-12 Akash Building, Jalawad Nagar,
Ashok Nagar, Kandivali East,
Mumbai, Maharashtra -400101



SIGNED AND DELIVERED)
by and within named Buyer)
VISHWAMANI MATAMANI TIWARI
For: Prabhat Capital Investments Limited
402, Fourth Floor, Western Edge 1
Western Express Highway, Borivali (East)
Mumbai City MH 400066 IN
Email: cs@prabhatgroup.net



Schedule I

Name of the Seller	Name of the Purchaser	No. of Sale Shares	Purchase Price	Purchase Consideration	Details of Bank Account	Details of DP of the Purchaser
Dheeraj Shah	Prabhat Capital Investments Limited	6,34,688	Rs. 5 per equity share	31,73,440	Mr. Dheeraj Shah - Account No. 001101035843 IFSC Code: IFSC ICIC00539 Prabhat Capital Investments Limited- Account No. 333705000917 IFSC Code: ICIC0003337	DP Id: 12092100 Client Id: 02990711



Prabhat

Schedule II

Sellers Representations and Warranties

Except for the Representations and Warranties mentioned herein, the Buyer has agreed to purchase the shares of the Company on *as is basis*.

The Sellers severally and proportionally represent and warrant the following to be true, complete and accurate as on the date of this Agreement.

For the purposes of this Schedule, the term "*Cut-Off Date*" means _____.

1. **Status**

- (a) The Company is duly incorporated and validly existing under the laws of India.
- (b) The Company has all the requisite powers and authority to own or lease and operate its properties and assets.
- (c) There are no Encumbrances or security interests or any other agreement or arrangement or litigation having a similar effect over any present or future assets or revenues of the Company.
- (d) From the Execution Date to the Closing Date, the Company has not (nor has it taken any action to): (a) issued any new share of any class; (b) increased or reduced the share capital; (c) changed the nominal value of, or the rights attached to, any of its shares of any class; or (d) taken any other action by amendment of Memorandum of Association or Articles of Association or through reorganization, consolidation, sale of share capital, merger or sale of assets or otherwise. Further, the Company has not altered its capital structure in any way (e.g., issue any additional shares either by way of rights, bonus or preference) or allotted or issued or agreed to allot or issue any security, such as an option, a share, loan capital or any security convertible into a share or into loan capital.
- (e) No existing or imminent adverse change has taken place to the business of the Company post the Execution Date of this Agreement.

2. **Powers and Authority**

- (a) The Sellers have the power to enter into and perform, and have taken all necessary action to authorize the entry into, performance and delivery of this Agreement and the Transaction contemplated by this Agreement.
- (b) There are no other outstanding instruments convertible into equity shares of the Company.
- (c) The Purchaser shall, at Closing, have clear and unencumbered, marketable title to such Sale Shares and good right, full power and absolute authority to own the Sale Shares and subject only to the provisions contained in the Memorandum of Association and Articles of Association



- (e) There are no restrictive covenants restraining the Seller to enter into and perform their respective obligations under this Agreement.
- (f) The Sale Shares held by each Seller, more particularly set out in Annexure - 1 hereto, have been validly issued by the Company and are fully paid up and owned solely and beneficially by them.

3. Legal Validity

The Agreement when executed in accordance with its terms will constitute a legal, valid and binding obligation enforceable in accordance with its terms on the Seller.

5. Licenses and Permissions

As on the Closing Date, all the licenses or permissions in the name of the Company from any applicable governmental authority is valid.

6. Accounts and Financial Condition

The audited accounts of the Company, have been prepared, in accordance with applicable Law and in accordance with consistently applied accounting principles of the Company, so as to give a true and fair view of the business (including the assets, liabilities and state of affairs) of the Company as on that date.

7. Insurance

The Company has not obtained any insurance in respect of its assets.

8. Related Party Transactions

The audited accounts of the Company for the year ended March 31, 2023 set out the details of the transactions entered by the Company with Affiliates.

9. Subsidiary of Company

The Company has no subsidiary.



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Annexure 1

CP Certificate

[insert dated]

[insert name]

[Insert address]

Facsimile: [insert number]

Email: [insert e-mail address]

For attention of: [insert name and designation]

Dear Sir:

Ref : Share Purchase Agreement dated [insert date of the Share Purchase Agreement] (the "**Share Purchase Agreement**") entered between (i) "**Seller**" and (ii) "**Purchaser**" the Purchaser have agreed to purchase the Sale Shares (*as defined therein*) held by the Seller in accordance with and on the terms and conditions contained in the Share Purchase Agreement;

Sub : **CP Certificate**

1. Words and expressions used but not defined herein shall, except where the context otherwise requires, have their respective meanings set forth in the Share Purchase Agreement.
2. In accordance with the Clause 3.2 of the Share Purchase Agreement, the Seller certifies as follows:
 - (a) [•]
 - (b) [•]
3. The Conditions Precedent as set out in Clause 3 of the Share Purchase Agreement have been satisfied.
4. [details of conditions in respect of which, waiver or postponement is requested]
5. The above certifications are effective as of the date of this certificate and shall continue to be effective as of the Closing Date (as if made by reference to such date).

Yours Sincerely,
[•]

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