

**BUSINESS TRANSFER AGREEMENT**

Executed by and between

**Punj Lloyd Limited**

**(“Seller”)**

**and**

**Punj Lloyd Industries Limited**

**(“Purchaser”)**

This **Business Transfer Agreement** (“**Agreement**”) is entered into on, at New Delhi by and between:

Punj Lloyd Limited, a company incorporated under the Companies Act, 1956 and whose registered office is at Punj Lloyd House,17-18 Nehru Place, New Delhi 110 019, India (hereinafter referred to as the “**Seller**”).;

**AND**

Punj Lloyd Industries Limited, a company incorporated under the Companies Act, 1956 and whose registered office is at Punj Lloyd House,17-18 Nehru Place, New Delhi 110 019, India (hereinafter referred to as the “**Purchaser**”),

(Unless the context requires otherwise, the Seller and the Purchaser are hereinafter collectively referred to as '**Parties**' and individually as a '**Party**'.)

**WHEREAS**

- a) The Seller is *inter alia* engaged in the business of integrated design, procurement and project management services for energy and infrastructure sector projects. Further, the Seller is also engaged in manufacturing, amongst others of defence, aviation, aerospace, energy and shipping equipment including missile artillery systems and related equipment for field application, air defence artillery and associated systems used for defence, internal security, border security and paramilitary forces (collectively known as Defence Business). The manufacturing of defence equipment is undertaken at a factory located in Malanpur, Madhya Pradesh. The factory land is on 30 years lease from Industrial Infrastructure Development Corporation (Gwalior) M.P Ltd.
- b) The Defence Business requires different set of skills and resources to develop growth potential in the relevant business market and to meet the requirements of competitive and regulatory environment. Therefore, the Seller being in diversified business is contemplating to transfer Defence Business Undertaking (defined hereinafter in Article 1.1 (v)) to purchaser as it will help the Defence Business Undertaking attract a particular set of investors and strategic partners who can bring relevant experience for the growth of the Defence Business..
- c) The Parties desire that the Seller sell/ transfer/ convey the Defence Business Undertaking to the Purchaser, and the Purchaser purchase and acquire the Defence Business Undertaking from the Seller, on a going concern basis by means of a “slump sale” (as defined in Section 2 (42C) of the Income Tax Act, 1961), for a lump sum consideration and subject to the other terms and conditions specified in this Agreement.
- d) The Seller has therefore agreed to enter into this Agreement -to sell, transfer and convey the Defence Business Undertaking to the Purchaser, subject to the terms and conditions contained herein.

**NOW THEREFORE, THE PARTIES, INTENDING TO BE LEGALLY BOUND HEREBY AGREE AS FOLLOWS:**

## **ARTICLE 1 – DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Agreement, unless the context requires otherwise, the following terms and expressions shall have the meanings set forth below:

- i) **“Agreement”** shall mean this Agreement along with all Annexure(s) and/or Schedules and/or Appendices, if any, attached hereto and shall include any amendments, addendums or supplements thereto, executed by the Parties, in writing, after the Agreement Effective Date.
- ii) **“Agreement Effective Date”** shall mean the date from which this Agreement will be effective i.e.
- iii) **“Assumed Contracts”** mean contracts relating to the Defence Business Undertaking that are proposed to be novated in favour of the Purchaser with effect from the Closing Date pursuant to this Agreement and as set forth in Schedule 2 of this Agreement.
- iv) **“Books and Records”** shall mean books and statements of accounts, files, papers, data, manuals, catalogues and other documents and records, including the originals thereof relating to the Defence Business Undertaking, which are to be transferred to the Purchaser in accordance with this Agreement.
- v) **“Defence Business Undertaking”** means the undertaking of the Seller engaged in the Defence Business consisting of the following:
  - a) Movable Property of the Defence Business Undertaking as set forth in Part 1 of Schedule 1 of this Agreement;
  - b) Book debts, advances, deposits, receivables, (including, without limitation, accounts receivables, ) as set forth in Part 1 of Schedule 1 of this Agreement;
  - c) Liabilities of the Seller on the Agreement Effective Date which pertain to the Defence Business Undertaking as set forth in Part 2 of Schedule 1 of this Agreement;
  - d) Assumed Contracts
  - e) Employees listed in Schedule 3 to this Agreement, on the same terms and conditions of service as they are employed by the Seller, including as to length and continuity of service;
  - f) Books, Records and Ledgers; Customer contracts, know-how, brands and other Intangibles, as may be mutually agreed between the Parties and ;
  - g) Technical or other information if any used primarily in connection with (a) to (f) above and as agreed between the Parties on or prior to the Closing Date, such as management information systems, drawings, sketches and blueprints, maps and manuals (the **“Technical Information”**).
- vi) **“Closing”** means the completion of the transfer and delivery of the Defence Business Undertaking by the Seller to the Purchaser, to the satisfaction of each other, as agreed herein.
- vii) **“Closing Date”** means such date in accordance with the terms of this Agreement as may be mutually agreed to between the Parties, on which the Closing occurs.
- viii) **“Employees”** mean individuals as of the date hereof, who are employed by the Seller in connection with the Defence Business Undertaking as set forth in Schedule 3 of this Agreement, together with individuals who are hired in respect of the Defence Business Undertaking after the date hereof until the Closing Date and who shall be transferred to the Purchaser pursuant to the transfer of the Defence Business Undertaking.
- ix) **“Liability”** means any liability whether absolute or contingent, whether accrued or not accrued, and whether due or to become due relating to the Defence Business Undertaking as set forth in Part 2 of Schedule 1 of this Agreement.

- x) **“Purchase Consideration”** means the price being the lump sum amount, agreed for the sale and transfer of the Defence Business Undertaking that is payable by the Purchaser to the Seller in accordance with Article 3 of this Agreement.
- xi) **“Transaction”** means the sale of Defence Business Undertaking by the Seller to the Purchaser as a going concern for lump sum consideration on a slump sale basis, as contemplated in this Agreement.
- xii) **“Taxes”** means Direct Taxes and Indirect Taxes pertaining to Defence Business Undertaking.

## **1.2 Interpretation**

Unless otherwise stated or unless the context otherwise requires, in this Agreement:

- i) the headings used in this Agreement are included for convenience only and shall not be used in construing or interpreting this Agreement;
- ii) any reference to the plural shall include the singular and the vice-versa;
- iii) any reference to masculine gender shall include feminine or neutral gender;
- iv) the references to the Recitals, Articles, Clauses, and Schedules shall be references to the Recitals, Articles, Clauses and Schedules of this Agreement;
- v) the references to statutes shall be references to the statutory enactments, rules and regulations in force (as modified, amended or re-enacted) and to any subordinate legislation made under such provisions;
- vi) reference in this Agreement to do or not to do anything which any Party is required to do or not to do shall include its acts, defaults and omission whether: (a) direct or indirect, (b) on its own account, or (c) for or through any other person, and (d) those which it permits or suffers to be done or not done by any other person;
- vii) the effect of all obligations affecting the Parties under this Agreement is cumulative and no obligation shall be limited or modified by any of the other obligations unless there is in this Agreement an express limitation or modification;
- viii) where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings;
- ix) the words “including” and “inter alia” shall be deemed to be followed by “without limitation” or “but not limited to”; and
- x) a reference to a thing includes a part of that thing.

## **ARTICLE 2 - SALE AND PURCHASE OF DEFENCE BUSINESS UNDERTAKING**

- 2.1 In consideration of the Purchase Consideration to be paid by the Purchaser to the Seller in the manner set out herein and subject to the provisions of this Agreement, on the Closing Date, the Seller hereby agrees to sell, transfer, convey and deliver to the Purchaser, and the Purchaser hereby agrees to purchase, acquire and accept from the Seller, absolutely and forever the Defence Business Undertaking

including legal and beneficial rights, title and interest and liabilities of the Seller in and to the Defence Business Undertaking as a going concern on a slump sale “as is where is basis”.

- 2.2 The Parties specifically acknowledge and agree that the Transaction will constitute an outright slump sale of the Defence Business Undertaking with effect from the Closing Date as an inseparable whole, as a going concern on ‘as is where is basis’, for the Purchase Consideration duly discharged by the Purchaser.
- 2.3 The Parties agree that all tax liabilities or liabilities under any statute in force in relation to any period prior to the Closing Date including but not limited to any past tax litigations / statutory dues which relate to the period prior to the Agreement Effective Date would be of the Seller in all respects and would not be taken over by the Purchaser.
- 2.4 The Parties acknowledge and agree that those assets of the Defence Business Undertaking that are movable in nature or are otherwise capable of transfer by endorsement and delivery, shall stand vested in the Purchaser on delivery, and shall become the property of the Purchaser.
- 2.5 The Book Debts, advances, deposits, receivables (including, without limitation, accounts receivables) as set forth in Part 1 of Schedule 1 to this Agreement shall be legally assigned absolutely in whole and not in part by the Seller to the Purchaser with effect from the Closing Date.
- 2.6 The Assumed Contracts shall be novated by the Seller in favour of the Purchaser with effect from the Closing Date.
- 2.7 Notwithstanding anything to the contrary contained in this Agreement, the Parties hereby agree that on and from the Closing Date, the profits and losses as well as risks and rewards relating to the Defence Business Undertaking shall be deemed to be the profits and losses and risks and rewards of the Purchaser and deemed to have been transferred to the Purchaser with effect from the Closing Date.
- 2.8 During the period, if any, between the Agreement Effective Date and the Closing Date, the Defence Business Undertaking shall be carried on by the Seller in trust for / on behalf of the Purchaser.
- 2.9 With effect from the Agreement Effective Date, until the Closing Date, all taxes and statutory dues of any nature, duties, cess or any other like payment or deductions made by the Seller for payment to any statutory authorities such as income tax, service tax, value added tax etc. or any tax deduction or collection at source (including, *inter alia*, under Sections 40, 40A and 43B of the Income Tax Act 1961), service tax input credit receivables, in relation to the Defence Business Undertaking shall be deemed to have been on account of or on behalf of or paid by the Purchaser and such deductions shall be eligible for deduction by the Purchaser upon fulfillment of the conditions prescribed under the Income Tax Act 1961 in relation thereto.

### **ARTICLE 3 - PURCHASE CONSIDERATION**

- 3.1 The consideration for the sale and transfer of the Defence Business Undertaking on a going concern basis in accordance with this Agreement by the Purchaser to the Seller shall be a value of Rs 180,00,00,000. (Rupees one hundred eighty crores . Only) (“**Purchase Consideration**”) and shall be paid in accordance with Article 3.3 below.
- 3.2 The Purchase Consideration has been agreed between the Parties based on a valuation report dated of an independent valuer.

- 3.3 On the Closing Date the Purchaser shall issue 90,00,000 Redeemable Preference Shares free and clear from all encumbrances and valued at the Purchase Consideration on terms set out in Schedule 4 of this Agreement.
- 3.4 The Purchaser will allocate the aforesaid Purchase Consideration on the basis of purchase price allocation. Any excess of Purchase Consideration over the fair value of the assets (both tangibles and intangibles) recorded by the Purchaser shall be allocated towards goodwill.

#### **ARTICLE 4 – CLOSING**

4.1 Subject to the terms and conditions of this Agreement, Closing contemplated under this Agreement will take place on the Closing Date, at the office of the Seller or such other place as may be mutually agreed between the Parties.

#### 4.2 Closing

At Closing, the Defence Business Undertaking shall be transferred by the Seller and received and acquired by the Purchaser as a going concern and on a slump sale basis to the end and intent that the property and all rights therein pass on to the Purchaser and the Purchaser becomes the absolute owner upon such delivery and transfer.

To the said intent and effect the following actions inter alia shall be undertaken at Closing:

- (i) The Seller and the Purchaser shall execute novation deeds with the relevant counter parties to novate the Assumed Contracts in favour of the Purchaser with effect from the Closing Date such that all rights and obligations of the Seller are assumed by the Purchaser.
- (ii) The Seller shall legally assign absolutely in whole and not in part to the Purchaser all of its rights title and interest in and under the book debts, advances, deposits, receivables (including, without limitation, accounts receivables) as set forth in Part 1 of Schedule to this Agreement.
- (iii) The Seller shall deliver and hand over to the Purchaser by physical delivery and possession movable assets of the Defence Business Undertaking comprising the furniture and fixtures, computers, office equipment, software licenses and other articles and effects (including capital work-in-progress), and the Purchaser shall receive the physical delivery and possession of the same, so that the same become the absolute property of the Purchaser.
- (iv) The Seller shall deliver the Books and Records and Technical Information in original or copies thereof, as may be feasible, pertaining to the Defence Business Undertaking. In case any register/document pertaining to the Defence Business Undertaking is inseparable from the Books and Records of the Seller, copies of the relevant pages shall be provided.
- (v) The Seller shall handover the list of Employees that are proposed to be transferred to the Purchaser and the Purchaser shall issue employment offer letters to such Employees on the same terms as their employment with the Seller.
- (vi) The Seller shall deliver at Closing, full and complete records relating to the Employees including documents relating to Employees including offer letters, employment agreements, employment policy and manual and records in relation to the benefit plans relating to the Employees.
- (vii) The Seller shall provide to the Purchaser originals or copies of the Records pertaining to Defence Business Undertaking.
- (viii) The Seller shall provide to the Purchaser originals or copies of the Assumed Contracts. .
- (ix) The Purchaser shall issue such receipts or acknowledgements as the Seller may require confirming receipt in respect of the foregoing.

- (x) The Parties shall provide to each other copies of such board or other resolutions or approvals as evidence the due authority of the Party for the Transaction.
- (xi) The Parties shall execute a mutually acceptable agreement in relation to the factory located in Malanpur, Madhya Pradesh on land that has been leased to the Seller by Industrial Infrastructure Development Corporation ( Gwalior ) M.P. Ltd.

#### **ARTICLE 5 - EMPLOYEES**

- 5.1 With the transfer of the Defence Business Undertaking, the Seller shall facilitate the transfer of and the Purchaser shall make offers of employment to the Employees specified in Schedule 3 to this Agreement on the same terms and conditions as per terms of their employment with the Seller and with the benefit of continuity of service for all purposes including for the computation of the terminal benefits, in case any.
- 5.2 For any period prior to the Closing Date, the Seller shall be liable to pay to the Employees all amounts becoming due and payable to them, as per the terms of employment and statutory provisions whether by way of salary, bonus, or otherwise, calculated and due and payable up to Closing Date, unless the same forms part of liabilities being transferred as per Part 2 of Schedule 1. The Purchaser shall assume and be liable for all dues and obligations towards such Emploess that accept the Employment offer from the Purchaser in accordance with the terms set out in such employment offers with effect from the Closing Date.

#### **ARTICLE 6 – PERFORMANCE OF CONTRACT**

- 6.1 Without prejudice to the generality of the foregoing, the following shall apply following Closing:
  - (i) All Assets and Liabilities of the Defence Business Undertaking shall, without any further act or deed, shall become the assets and liabilities of the Purchaser.
  - (ii) If the performance of any Assumed Contract by the Purchaser is not permitted in so far as the benefit or burden of the same has not been effectively assigned or novated to the Purchaser on the Closing Date, the Seller shall following Closing use all reasonable endeavors to procure that such assignment or novation is completed with effect from Closing. To the extent any such assignment or novation of a Contract does not take place the Seller shall hold such contract in trust for the Purchaser and at the instance of the Purchaser implement such contract on a back to back basis, till such time an alternative solution is reached, and shall account for the same to the Purchaser accordingly. Any costs or expenses incurred towards the same shall be borne by the Purchaser.
  - (iii) Subject to applicable laws, all statutory approvals, permissions, consents, exemptions, registrations, no-objection certificates and certifications, permits, quotas, rights over all pending statutory applications/petitions exclusively relating to the Defence Business Undertaking, shall stand transferred to the Purchaser, to the extent applicable.

#### **ARTICLE 7 – REPRESENTATIONS AND WARRANTIES OF THE SELLER**

- 7.1 The Seller represents and warrants and undertakes to the Purchaser as under:
  - (i) The Seller has full power and authority to operate its Defence Business Undertaking as it is being currently conducted. The Seller has full power and authority, and Seller has and/or shall procure all necessary consents that may be required to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the Transaction contemplated herein.

- (ii) The Seller shall not cause or permit any of its representations and warranties made in this Agreement to be untrue or incomplete on the Agreement Effective Date or at any time prior thereto.
- (iii) The assets specified in Part 1 of Schedule 1 of this Agreement is the assets required and necessary to carry on the Defence Business Undertaking.
- (iv) The Books and Records, including the related documents, of the Seller (to the extent relating to the Defence Business Undertaking) pertaining to the period from the date of incorporation till the Closing Date are true, complete and correct in all material respects.
- (v) The list of insurance policies currently in effect that insures the Defence Business Undertaking, or relate to the ownership, use or operation of any of the Assets of Defence Business Undertaking, as disclosed to the Purchaser is complete and accurate.
- (vi) All liabilities that are expressly provided in Part 2 of Schedule 1 or related thereto pertaining to the Defence Business Undertaking prior to the Agreement Effective Date shall be entirely to the account of the Buyer. However, statutory liabilities as discussed under article 2.3 shall remain with the Seller.
- (vii) The Seller will execute such documents and complete such further acts that may be necessary for perfecting the sale and transfer of the Defence Business Undertaking to the Purchaser.

## **ARTICLE 8 - REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

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

- 8.1 The Purchaser has full corporate power and authority to purchase the Defence Business Undertaking as contemplated under this Agreement. Purchaser has and/or shall procure all necessary consents that may be required to execute and deliver this Agreement and to perform its obligations hereunder and to consummate the Transaction contemplated herein.
- 8.2 The Purchaser also represents, warrants and assures that Purchaser has the sole responsibility for and/or shall obtain all necessary and relevant permissions, approvals, consents as may be required from appropriate governmental / statutory /municipal authorities for purchasing and after Closing for running and operating the Defence Business Undertaking, at its sole cost and expense, and shall keep the Seller fully indemnified in that regard.

## **ARTICLE 9 - INDEMNIFICATION**

- 9.1 Each Party agrees to indemnify, defend and hold the other Party and each of the other Party's officers, directors, and employees (the other Party and such persons collectively hereinafter referred to as "**Indemnified Persons**"), harmless from and against any and all direct claims or losses (**collectively "Losses"**) that the Indemnified Persons may suffer, sustain, incur or become subject to, arising out of or due to: (a) the breach of any representation or warranty of such Party in this Agreement; (b) the non-fulfillment of any covenant, agreement or other obligation of such Party under this Agreement; (c) any non-compliance by such Party with any laws, corporate or regulatory which may be applicable to the sale or transfer of the Undertaking; and (d) any non-compliance by such Party with any regulatory requirement or compliance including without limitation, failure to file appropriate reports and make appropriate intimations to the concerned authorities, failure to register itself and/or obtain necessary approvals and/or file applicable returns under various legislations, and (e) any



assessed or un-assessed Taxes (i) in relation to the Defence Business Undertaking as carried out by the Seller before the Closing (ii) as may be held applicable to the Transaction

#### **ARTICLE 10 - POST CLOSING COVENANTS**

10.1 The Seller and Purchaser agree that each of them shall preserve and keep the records held by it or their affiliates relating to the Defence Business Undertaking for a period of 8 years from the Closing Date and shall make such records and personnel available to the other as may be reasonably required by such party in connection with, among other things, any insurance claims by, legal proceedings or tax credits against or governmental investigations of the Seller or Purchaser or of any affiliates or in order to enable the Seller or the Purchaser to comply with their respective obligations under the transaction documents and each other agreement, documents or instrument contemplated thereby. In the event the seller or purchaser wishes to destroy such records after that time, such party shall first give 90 days prior written notice to the other party to take possession of the records.

#### **ARTICLE 11 – TERMINATION**

11.1 Either Party may terminate this Agreement before the Closing Date.

11.2 The right to terminate in Clause 11.1 shall be without prejudice to all available rights and remedies available to the Parties hereto under Law including the right to seek, as an alternative to termination, specific performance of obligations under the Agreement or terminate the Agreement and seek damages for the breach either Party for breaches committed during the period prior to such termination.

#### **ARTICLE 12 -FORCE MAJEURE**

12.1 No Party shall be liable to the other if, and to the extent, that the performance or delay in performance of any of its obligations (except being an obligation to make payments) under this Agreement is prevented, restricted, delayed or interfered with, due to circumstances beyond the reasonable control of such Party, including but not limited to, government legislation, fires, floods, epidemics, wars, riots and/or acts of government. The Party claiming an event of force majeure shall promptly notify the other Party in writing, and provide full particulars of the cause or event and the date of first occurrence thereof, as soon as possible after the event and also keep the other Party informed of any further developments. The Party so affected shall use its best efforts to remove the cause of non-performance, and the Party shall resume performance hereunder with the utmost dispatch when such cause is removed. For the purpose of clarity, the Parties agree that the failure of a Party to adhere to any statutory or regulatory requirement or to obtain necessary approvals shall not be deemed to be a force majeure situation.

12.2 A condition of force majeure shall not relieve any Party of any obligation due under this Agreement prior to the event of force majeure.

#### **ARTICLE 13 - MISCELLANEOUS**

##### **13.1 Taxes, Costs and Expenses**

- a) All costs and expenses in connection with the Transaction contemplated herein including all stamp duty and registration fees (if any) for the Transaction or this Agreement shall be incurred and borne by the Purchaser.
- b) Except for capital gains tax and/ or income tax, if any, on the income of the Seller, arising out of or in connection with the transfer of the Undertaking by the Seller to the Purchaser, all other taxes,

duties, costs, expenses or levies, whatsoever arising out of or in connection with the Transaction or this Agreement shall be borne by the Purchaser.

- c) Seller will bear the legal, accounting and other expenses incurred by such Party in connection with the negotiation, preparation and execution of this Agreement.

### 13.2 Confidentiality

Except as required by law, the Parties shall keep all negotiations in relation to this Agreement and related Agreements confidential, and neither Party shall make any public or any general announcements with regard to this transaction without the prior concurrence of the other Party.

### 13.3 Notices

All notices, requests, demands and other communications given hereunder (collectively, "**Notices**") shall be in writing and shall be effectively given if (i) delivered personally, (ii) sent by prepaid courier service, registered mail or (iii) sent by facsimile or other similar means of electronic communication (followed by a written notice within 3 days with confirmed receipt ), to the following addresses:

#### **If to the Seller:**

Punj Lloyd Limited  
Address: Punj Lloyd House,17-18 Nehru Place, New Delhi 110 019, India  
Kind Attention:  
With a copy to:

#### **If to the Purchaser:**

Punj Lloyd Industries Limited  
Address: Punj Lloyd House,17-18 Nehru Place, New Delhi 110 019, India  
Kind Attention:  
With a copy to:

Each of the Parties shall hereafter notify in writing the other of any change of address to which notice is required to be mailed.

### 13.4 Assignment and Amendment of Agreement

This Agreement shall not be assigned by either Party to any third party without the prior written consent of the other Party.

This Agreement may not be amended or modified except by an instrument in writing signed by or on behalf of each of the Parties.

### 13.5 Dispute Resolution

All disputes or differences between Parties in respect of or concerning or connected with the interpretation or implementation of this Agreement or arising out of or in connection with this Agreement ("**Disputes**"), shall at the first instance be resolved through good faith negotiations between the directors or such other senior official of each of the Parties, which negotiations shall begin promptly after a Party has delivered to the other Party a written request for such consultation and thereafter by reference to courts of New Delhi.

### 13.6 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or among the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

13.7 Survival

In addition to any other obligation specifically agreed to survive, the obligations of the Parties relating to Indemnification and Confidentiality shall survive termination or expiry of this Agreement.

13.8 No Third Party Beneficiaries

This Agreement is not intended and shall not be construed to create any rights in any parties other than the Seller and the Purchaser and no person shall have any rights as a third party beneficiary hereunder.

13.9 Waiver

The Parties to this Agreement may, by mutual consent, (a) extend the time for performance of any of the obligations or other acts of any Party, (b) waive any inaccuracies in the representations and warranties of any Party contained herein or in any document delivered by any Party pursuant hereto or (c) waive compliance with any of the Agreements or conditions of any Party contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing signed by the Parties to be bound thereby. Any waiver of any term, covenant or condition shall not be construed as a subsequent waiver of any such terms, covenants, conditions, rights or privileges.

13.10 Severability

Each of the provisions contained in this Agreement shall be severable and the invalidity of one shall not affect the validity of any other provision of this Agreement or the remaining portion of the applicable provision. The Parties shall endeavour to replace such unenforceable provision/portion with a legally permissible provision, which as far as possible, reflects the original intent of the Parties.

13.11 Remedies under this Agreement

Each Party hereto agree that any remedy or right conferred upon either Party for breach hereof shall be in addition to and without prejudice to all other rights and remedies available to it, whether under the applicable laws or otherwise.

13.12 Incorporation of Schedules

The Schedules hereto are incorporated into this Agreement and shall be deemed a part hereof as if set forth herein in full. In the event of any conflict between the provisions of this Agreement and any such Schedule, the provisions of this Agreement shall prevail.

13.13 Binding Effect

This Agreement and the covenants, terms and conditions set forth herein shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assignees.

13.14 Mutual Goodwill

This Agreement is entered into in a spirit of goodwill and the Parties covenant with each other that each Party will render at all times all reasonable assistance in its power to facilitate successful implementation of this Agreement and/ or provide any information or document in its possession, which the other Party(s) may reasonably require for the purpose of this Agreement.

13.15 Governing Law; Jurisdiction

This Agreement shall be governed by and construed in accordance with the laws of India and the courts at New Delhi shall have the exclusive jurisdiction.

**ARTICLE 14 - COUNTERPARTS**

This Agreement is being executed simultaneously 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.

**IN WITNESS WHEREOF**, Seller and Purchaser have duly executed and delivered this Agreement as of the day and year first above written.

Signed by:  
FOR SELLER  
In the presence of:

1.

2.

Signed by:  
FOR PURCHASER  
In the presence of:

1.

2.

**Schedule 1**  
**Defence Business Undertaking**

Part1

**Assets**

To be populated on the Closing Date.

part 2

**Liabilities**

To be populated on the Closing Date

**Schedule 2**  
**Assumed Contracts**

To be populated on the Closing Date

**Schedule 3**  
**List of Employees**

To be populated on the Closing Date.

**Schedule 4**  
**Terms Of Redeemable Preference Shares**

**i) Issue price : Rs 10**

**ii) Premium : Rs 190**

**iii) Coupon : 0.1 % Compounded annually.**

**iv) Redemption premium: 12% compounded annually.**

**v) Redemption: On or before the end of 8 years.**