

ASSET TRANSFER AGREEMENT

DATED [●] 2021

AMONGST

**SUNSHIELD CHEMICALS LIMITED
("SELLER")**

AND

**SOLVAY SPECIALITIES INDIA PRIVATE LIMITED
("PURCHASER")**

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ASSET TRANSFER AGREEMENT

This Asset Transfer Agreement (the “**Agreement**”) executed at [●] on [●] 2021.

BETWEEN

- (1) Sunshield Chemicals Limited, a company incorporated under the laws of India and having its registered office at Equinox Business Park, Tower-4, 9th Floor, unit no. 903, Kurla (West), Mumbai 400070 (“**Seller**”); and
- (2) Solvay Specialities India Private Limited, a company incorporated under the laws of India, and having its registered office at Plot nos. 3526/27, GIDC Panoli, Dist- Bharuch, Gujarat – 394116 and having its Corporate Office at Equinox Business Park, Tower-4, 9th Floor, unit no. 903, Kurla (West), Mumbai 400070 (“**Purchaser**”).

(Each of the Seller and the Purchaser shall hereinafter be referred to as a “**Party**” and collectively as “**Parties**”).

WHEREAS

- (A) The Seller is engaged in the business of Chemicals viz. manufacturing of speciality chemicals which are used in diverse range of Industries such as Wire Insulation Enamel, PVC stabilizers, Inks, Colours, Coatings, Textiles, Agrochemicals, Plastics, Rubber and Latex, Tyre and Tubes, Lubricant and additives, etc; and
- (B) The Seller is desirous of transferring, assigning conveying and delivering all its rights, title and interests in the Transferred Assets (as defined subsequently) and the Purchaser, after conducting due diligence, is desirous of acquiring the same, on as is where is basis, on an itemized basis, free from all Encumbrances (as defined subsequently) in terms of this Agreement. The Purchaser intends to manufacture the Products (as defined subsequently) in its plant situated at MIDC Dhatav Plot Nos. 103,104, 104 (Part), 105 (Part I, II &2), Tal Roha, District Raigad 402116, Maharashtra
- (C) The Parties are entering into this Agreement to record their understanding and the terms and conditions on which the transfer of the Transferred Assets shall take place.

NOW THEREFORE, in consideration of the mutual covenants and agreements set out in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

In this Agreement, the following terms shall have the following meanings unless the context otherwise requires:

- 1.1.1. “**Affiliate**” of a Person not being a natural Person, means any Person that, either directly or indirectly through one or more intermediate Persons, has a controlling interest/control or is controlled by or is under common control with the Person and in relation to a natural Person, means any relative of such natural Person or any entity controlled by or under common control with such natural person or his/her relative;

- 1.1.2. “**Agreement**” means this Asset Transfer Agreement, together with all schedules attached hereto, and shall include any written modification or alteration made by the Parties after the date first above written;
- 1.1.3. “**Applicable Law**” means, with respect to any Person, all statutes, enactments, acts of legislature or parliament, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court or, with respect to a company, any recognised stock exchange(s) on which the equity shares may be listed;
- 1.1.4. “**Business**” means the business of sale and manufacture of the Products, being carried on by the Seller as on the Effective Date;
- 1.1.5. “**Completion**” means the completion of the sale and purchase of the Transferred Assets pursuant to the terms and conditions of this Agreement;
- 1.1.6. “**Consideration**” shall have the meaning set forth in Section 3 hereof;
- 1.1.7. “**Conditions Precedent**” means the conditions set out in Section 4 hereof;
- 1.1.8. “**Contract**” or “**Contracts**” means all pending and executory contracts and other instruments whatsoever pertaining to the Transferred Assets, including all business contracts, sales and purchase orders, service contracts and other instruments related thereto being material contracts and which are listed in **Schedule 1**;
- 1.1.9. “**Effective Date**” means _____ [●], 2021;
- 1.1.10. “**Encumbrance**” means any mortgage, charge (whether fixed or floating), pledge, lien (statutory or other), claim, assignment, hypothecation, trust, security interest, right of other Persons (including right of pre-emption, right of first refusal), beneficial interest, title defect, title retention, voting interest agreement, interest, option, commitment, easement, encumbrance, restriction or limitation of any nature (including on transfer, use, voting, non-disposal, or exercise of any other attribute of ownership) or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person, in each case under any arrangement or any agreement, written or oral, whether conditional or otherwise, voluntary or under Applicable Law, to create any of the foregoing and includes any right granted by a transaction which in legal terms is not the granting of security but which has the economic or financial effect similar to the granting of security;
- 1.1.11. “**Existing Stock**” means the stock of the Products, available with the Seller as on such date, that will be procured by the Purchaser from the Seller at the prevailing market rate at the Completion;
- 1.1.12. “**Government**” means any government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions pursuant to Applicable Laws, of or pertaining to government, or any other government authority including any taxation authority, agency, department, board, commission or instrumentality or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental or non-

governmental self-regulatory organisation, agency or authority; having jurisdiction over any of the Parties or any of the transactions contemplated hereby;

- 1.1.13. “**Governmental Approval**” means and includes any consent, license, permit, clearance, sanction, “no objection” certificate or other authorization of any nature which is required to be granted by the Government or under any applicable law for the consummation of the transaction contemplated herein;
- 1.1.14. “**Intellectual Property**” shall mean all intellectual property rights and interests (including common law rights and interests), whether registered or unregistered and all rights or forms of protection having equivalent or similar effect anywhere in the world, which are held or beneficially owned or used or required to be used in relation to, in connection with and with respect to the Transferred Assets, including without limitation:
- (a) documentary, technology, specifications, technical, industrial or commercial information which is being applied in relation to manufacturing of the Products, formulations, trade secrets, proprietary technology, confidential information (including, without limitation, ideas, marketing techniques, proposals, financial and accounting data, business and marketing plans, databases of visitors, databases of exhibitors, brochures, customer and supplier lists and related information) know-how, methods, processes, techniques, plans, data, drawings, specifications, characteristics, test results, notes or entries, discoveries, samples, methodologies, improvements, experience including but not limited to the specifications as set out in **Schedule 2** of this Agreement;
 - (b) all intellectual property developed or created by any past or present employee or contractor of Seller or otherwise in relation to the Transferred Assets;
 - (c) brand names, trademarks, service marks, copyrights, database rights, trade names, domain names, symbols and logos or other identifying marks embodying the goodwill associated with the Transferred Assets (and including any patent applications and applications to register trademarks, service marks and designs);
- 1.1.15. “**Material Adverse Effect**” means any change in, or effect on, the Business as currently conducted that is materially adverse to the results of operation, financial or other condition of the Transferred Assets;
- 1.1.16. “**Person**” means any natural person, limited or unlimited liability company, corporation (including any non-profit corporation), partnership (whether registered, unregistered, general, limited or unlimited), sole proprietorship, unincorporated association, joint venture, joint stock company, Hindu undivided family, estate, trust, firm, union, association, government or other enterprise, association, organisation or entity whether or not required to be incorporated or registered under law or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law;
- 1.1.17. “**Products**” shall mean all the Novecare segment of surfactants as listed under **Schedule 3**, which will exclusively be manufactured by the Purchaser post the Effective Date;

1.1.18. “**Tax**” or “**Taxes**” means (i) any liability for any form of taxation (whether direct or indirect), duties, imposts, levies, withholdings or rates, and any amount payable to the revenue, customs or other fiscal authorities whether of India or elsewhere including, without limitation, income tax, capital transfer tax, rates, uniform business rates, value added tax, customs duties, sales tax, stamp duty, employment tax, property tax, land revenue and other similar liability or contribution and (ii) all costs, interests, penalties, surcharges and fines relating to any such tax or taxes;

1.1.19. “**Transferred Assets**” means:

- (a) all the Products;
- (b) all Contracts, including all rights and obligations thereunder;
- (c) all necessary records, files, papers, engineering information, manuals, data, catalogues, quotations, sales and advertising materials, and other records;
- (d) all the Intellectual Property; and

all of the above being in relation to the Business of the Seller.

1.2. Interpretation

1.2.1. headings are for convenience only and shall not affect the construction or interpretation of any provision of this Agreement;

1.2.2. words of any gender are deemed to include those of the other gender and pronouns importing a gender shall include each of the masculine, feminine and neuter genders, as the case may be;

1.2.3. words using the singular or plural number also include the plural or singular number, respectively;

1.2.4. the terms “hereof”, “herein”, “hereby”, “hereto” and derivatives thereof or similar words refer to this entire Agreement or Clauses or Schedules of this Agreement, as the case may be;

1.2.5. the ejusdem generis (of the same kind) rule will not apply to the interpretation of this Agreement. Accordingly, include and including will be read without limitation;

1.2.6. references to Clauses and Schedules are to such Clauses and Schedules to this Agreement. Any Schedules are and shall be deemed to constitute an integral part of this Agreement;

1.2.7. where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings;

1.2.8. reference to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision;

- 1.2.9. reference to any agreement, deed, document or instrument, shall mean a reference to the same as may have been duly amended, modified or replaced. For the avoidance of doubt, a document shall be construed as amended, modified or replaced only if such amendment, modification or replacement is executed in compliance with the provisions of such document(s);
- 1.2.10. references to the words 'including' and 'inter-alia' shall be deemed to be followed by 'without limitation' or 'but not limited to' whether or not those words are followed by such phrases or words of like import;
- 1.2.11. 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;
- 1.2.12. if any provision in this Clause 1 is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement;
- 1.2.13. the words "directly or indirectly" mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements, and "direct or indirect" have the correlative meanings;
- 1.2.14. when any number of days is prescribed in any document, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a business day, in which case the last day shall be the next succeeding day which is a business day;
- 1.2.15. the use of the term "or" is not intended to be exclusive;
- 1.2.16. the terms "writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form; and
- 1.2.17. any time period specified herein shall exclude the time period taken to obtain regulatory approvals required under Applicable Law.

2. **SALE AND PURCHASE**

- 2.1. The Seller agrees to sell and the Purchaser agrees to purchase, as at and with effect from the Effective Date, the Transferred Assets, on the terms and conditions and in the manner set forth in this Agreement.
- 2.2. The Seller shall, as at and with effect from the Effective Date, sell, transfer, convey and assign to the Purchaser all its right, title and interest in the Transferred Assets free from all Encumbrances.
- 2.3. Incidental to the aforesaid transfer of the Transferred Assets, the Seller hereby agrees to initiate and complete all steps required for such transfer, without payment of any additional consideration by the Purchaser and as incidental to the above, including the following:
 - (a) be ready and willing to complete the transfer of all other legal incidents or intangible rights comprised in the Transferred Assets; and

- (b) execute all such documents / transfer deeds (whether specified in the provisions hereof or otherwise) as may be necessary for transferring, assigning and vesting the Transferred Assets in the Purchaser, and the Seller hereby agrees to execute, and where necessary effectively cause to be registered all such assignments, deeds, conveyances and documents.

2.4. It is hereby acknowledged between the Parties that the Transferred Assets shall be transferred pursuant to this Agreement with effect from the Effective Date, and in the event that the formalities relating to the legal transfer of one or more assets pertaining to the Transferred Assets is to take place subsequently, pending the completion of such formalities, the Seller shall be deemed to hold such assets in trust and for the benefit of the Purchaser.

3. **CONSIDERATION**

3.1. The total consideration for the sale and purchase of the Transferred Assets shall be Rs. 17,82,00,000 (Indian Rupees Seventeen Crores Eighty Two Lakhs only) (the “**Consideration**”). The consideration and taxes payable shall be adjusted as part re-payment by the Seller against the loan availed by the Seller from the Purchaser by executing necessary documents on or before the effective date or extended date as may be agreed between the parties.

3.2. The Goods and Service Tax (GST) payable on account of the transaction contemplated under this Agreement shall be payable by the Purchaser. The Seller shall prepare a GST compliant invoice and levy GST at the applicable rate on the consideration amount. The Purchaser shall be entitled to avail of Input Tax Credit on GST levied in the invoice.

4. **CONDITIONS PRECEDENT**

4.1. The sale and purchase of the Transferred Assets pursuant to this Agreement is in all respects conditional on the fulfillment or waiver of the Conditions Precedent set out in this Section 4.1 below:

- (a) the Seller shall have obtained the approval of its Board of Directors at its board meeting and approval of its members pursuant to Applicable Laws to sell and transfer the Transferred Assets to the Purchaser on the terms and conditions set forth in this Agreement;
- (b) the Seller shall have obtained all necessary permissions, consents and notifications from any counter parties as may be required for the transfer of the Transferred Assets to the Purchaser on the terms and conditions set forth in this Agreement; and
- (c) the Purchaser shall have obtained the approval of its Board of Directors at its board meeting pursuant to Applicable Laws to purchase the Transferred Assets from the Seller on the terms and conditions set forth in this Agreement.

4.2. Each Party shall take necessary steps to obtain satisfactions of the respective Conditions Precedent for which such Party is responsible.

5. **COMPLETION**

- 5.1. Completion shall take place on the Effective Date immediately upon fulfillment of the Parties' respective conditions precedent set forth in Section 4.1.
- 5.2. At Completion, the Seller shall deliver to the Purchaser:
- (a) Certified true copies of the resolution of the Seller's Board of Directors and resolution of the members authorising the sale of the Transferred Assets as contemplated in this Agreement;
 - (b) Certified true copies of all necessary permissions, consents and notifications from counter parties as may be required for the transfer of the Transferred Assets to the Purchaser;
 - (c) Such assets forming part of Transferred Assets as are capable of transfer by manual delivery and upon the delivery of the Seller, the Purchaser shall give a receipt to the Seller acknowledging delivery of all the physical assets made in a form provided in **Schedule 5**; and
 - (d) Copies of Contracts along with a list of those assigned/novated to the Purchaser.
- 5.3. At Completion, the Purchaser shall purchase the Existing Stock from the Seller at the prevailing market rate for the Existing Stock.
- 5.4. At Completion, the Seller shall provide to the Purchaser, financial information as at the Effective Date relating to Transferred Assets as may be reasonably required by the Purchaser.
- 5.5. Following Completion, the Seller and the Purchaser shall, individually or jointly (as required) as reasonably necessary, issue letters to counter-parties to Contracts notifying such parties of the sale of the Transferred Assets by the Seller and the transfer of the rights and obligations under such contracts to the Purchaser.

6. **CONTRACTS**

- 6.1. Where the consent of any counter party to a Contract or the consent of any Government is required ("**Third Party Consents**") for the transfer and/or assignment of any Contract to the Purchaser, the Seller and the Purchaser shall jointly and promptly give such notices to third parties and shall use reasonable efforts to obtain such Third Party Consents as the Purchaser may reasonably deem necessary or desirable in connection with the transaction contemplated by this Agreement, including without limitation, all consents from third parties that are necessary or desirable in connection with the transfer of the Contracts.
- 6.2. Subject to any permissions (including those of the counter parties), where required, the Seller shall transfer, novate and/or assign the benefit of the Contracts in favor of the Purchaser. Upon such transfer or assignment, the Purchaser shall be entitled to all the rights and benefits under the Contracts and shall be responsible for all the obligations and liabilities under the Contracts.
- 6.3. In cases where the benefits of and obligations under a Contract or any part thereof cannot be assigned and transferred in the name of the Purchaser, due to the reason of the Contract being non-assignable and the refusal of the Seller's counterpart, the Seller shall make its best efforts, at the cost, risk and on account of the Purchaser, to ensure that such Contracts are terminated and that new similar contracts are entered into between the Purchaser and the concerned third parties. If requested by the Purchaser, and up to the execution of such new contracts by the

Purchaser, the Seller hereby agrees to hold the benefits or obligations under such contracts in trust for the sole benefit of the Purchaser at the cost, risk and on account of the Purchaser till these benefits are transferred in the name of the Purchaser and the Purchaser agrees to give all co-operation as may be required including execution of pending works, transfer and realization of assets and discharge of the obligations not taken over by the Purchaser, and to hold the Seller harmless in respect of any costs, charges or loss occasioned to the Seller exclusively in respect of and pertaining to the period after the Effective Date.

7. REPRESENTATIONS AND WARRANTIES OF THE SELLER

- 7.1. The Seller is a company duly organised and validly existing under the laws of India, with full corporate power to carry on the Business as presently conducted by it, and to own the properties relating to the Business and to enter into and perform its obligations under this Agreement.
- 7.2. This Agreement is authorised by, and is being executed by officers of the Seller duly authorised by its Board of Directors.
- 7.3. This Agreement is valid and legally binding upon the Seller and enforceable in accordance with its terms.
- 7.4. The Seller has not entered into any agreement with any other party with respect to the transaction contemplated in this Agreement and has made no other contract to sell, or otherwise dispose the Business and/or the Transferred Assets so as to affect the rights of the Seller to dispose the Transferred Assets as contemplated herein.
- 7.5. The execution and delivery of this Agreement, the consummation of the transaction contemplated hereby and the performance and fulfilment of the Seller's obligations and undertakings hereunder, will not violate any provision of, or result in the breach of or accelerate or permit the acceleration of any performance required by the terms of:
 - (a) the Memorandum of Association or Articles of Association of the Seller or of any contract, agreement, arrangement or undertaking to which either the Seller is a party or by which it is so bound; or
 - (b) any judgement, decree, writ, injunction, order or award of any arbitration panel, court, tribunal or any statutory authority or executive of the Government in which the Business is currently being carried on or any Applicable Law, ordinance, rule or regulation of the Government.
- 7.6. All approvals, including Governmental Approvals, consents and authorisations, if required for the performance and consummation of the transaction contemplated by this Agreement, have been obtained, or will be obtained by the Effective Date, and the performance and consummation of the transaction contemplated in this Agreement shall, by the Effective Date, be duly authorised by all requisite consents and approvals.
- 7.7. With respect to the Transferred Assets, the Seller provides the further warranties set out in **Schedule 4**.
- 7.8. The Seller agrees to retain all the assets and liabilities (whether past, disclosed, contingent or otherwise) in relation to the Business or other operations of the Seller that are not included in the Transferred Assets and further agrees to indemnify the Purchaser from all losses as set out in Section 10.2 below.

- 7.9. The Seller hereby undertakes to the Purchaser that, if after the signing of this Agreement and before the Effective Date, any event shall occur or matter shall arise of which the Seller becomes aware and which results or may result in any of the Warranties being unfulfilled, untrue, misleading or incorrect in any material respect at the Effective Date, the Seller shall notify the Purchaser in writing thereof prior to the Effective Date.
- 7.10. Each of the 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 of the other Warranties or by any other term of this Agreement.
- 7.11. The aforesaid Representations and Warranties of the Seller are save and except to the disclosure already made by the Seller to the Purchaser as part of the due diligence conducted by the Purchaser.

8. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

- 8.1. The Purchaser is a company duly organised and validly existing under the laws of India with full corporate power to carry on its business as now conducted by it and to own its properties and to enter into and perform its obligations under this Agreement.
- 8.2. This Agreement is being executed by officers of the Purchaser duly authorised by its Board of Directors.
- 8.3. This Agreement is valid and legally binding upon the Purchaser and enforceable in accordance with its terms.
- 8.4. The execution and delivery of this Agreement, the consummation of the transaction contemplated hereby and the performance and fulfilment of the Purchaser's obligations and undertakings hereunder, will not violate any provision of, or result in the breach of or accelerate or permit the acceleration of any performance required by the terms of:
- (a) the Memorandum of Association or Articles of Association of the Purchaser or of any contract, agreement, arrangement or undertaking to which either the Party is a party or by which it is so bound; or
 - (b) any judgement, decree, writ, injunction, order or award of any arbitration panel, court, tribunal or any statutory authority or executive of the Government in which the business of the Purchaser is currently being carried on or any Applicable Law, ordinance, rule or regulation of the Government.
- 8.5. All approvals, including Governmental Approvals, consents and authorisations, if required for the performance and consummation of the transaction contemplated by this Agreement, have been obtained, or will be obtained by the Effective Date, and the performance and consummation of the transaction contemplated in this Agreement shall, by the Effective Date, be duly authorised by all requisite consents and approvals.
- 8.6. Each of the 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 of the other Warranties or by any other term of this Agreement.

9. UNDERTAKINGS

- 9.1. The Purchaser shall bear and pay all Taxes relating or pertaining to the Transferred Assets after the Effective Date. The Purchaser shall be liable for all obligations or liabilities arising from or in respect of operations and activities of the Transferred Assets after the Effective Date.
- 9.2. The Seller shall bear and pay all Taxes relating or pertaining to the Transferred Assets prior to the Effective Date and the Seller shall be liable and responsible for all obligations or liabilities arising from or in respect of the operations and activities of the Transferred Assets prior to the Effective Date. The Seller shall indemnify and at all times keep the Purchaser indemnified against all claims, demands, actions, proceedings, costs, charges, expenses or other liabilities made or brought against, suffered or incurred by the Purchaser by or as a consequence of the failure, refusal or neglect on the part of the Seller to comply with its obligations hereunder.
- 9.3. In the event that any Tax and/or penalty is assessed, levied or imposed under the Income Tax Act, 1961, in respect of the transaction contemplated by this Agreement including but not limited to capital gains Tax, the same shall be payable by the Seller. The Seller shall indemnify and at all times keep the Purchaser fully indemnified from and against all claims, demands, actions, proceedings, costs, charges, expenses or other liabilities brought against, suffered or incurred by the Purchaser by or as a consequence of the failure, refusal or neglect on the part of the Seller in respect of such Tax and/or penalty.

10. INDEMNIFICATION

- 10.1. Subject to the limitations and other provisions of this Agreement, the representations and warranties of the Seller shall remain in full force and effect until a period of five (5) years from the date of this Agreement. The maximum liability of the Purchaser pursuant to this clause shall be equivalent to the Consideration amount.
- 10.2. The Seller agrees, subject to the other terms and conditions of this Agreement, to indemnify the Purchaser and its officers, directors, employees, agents, successors and assigns, against, and hold them harmless from all losses actually incurred by them and arising out of (i) the failure of any representation or warranty of the Seller herein to be true and correct in all respects on the date hereof and on the Effective Date and without giving effect to any standard, qualification or exception with respect to “materiality” or to “Material Adverse Effect” contained therein; (ii) the breach of any covenant or agreement of the Seller herein; and (iii) all assets and liabilities retained by the Seller under this Agreement in relation to the Business or other operations of the Seller that are not included in the Transferred Assets.
- 10.3. The Purchaser agrees to indemnify the Seller and its officers, directors, employees, agents, successors and assigns, against, and hold them harmless from all losses actually incurred by them or claims and arising after the Effective Date out of (i) the failure of any representation or warranty of the Purchaser herein to be true and correct in all respects on the date hereof and on the Effective Date and without giving effect to any standard, qualification or exception with respect to “materiality” or to “Material Adverse Effect” contained therein; (ii) the breach of any covenant or agreement of the Purchaser herein; and (iii) transfer of the Transferred Assets, including the Contracts, which being transferred to the Purchaser on the Effective Date.
- 10.4. Neither Party shall be entitled to make a claim for Indemnification under this Clause 10 (“**Indemnified Party**”) for any loss, demands, damages etc. relating to loss of profits, loss of opportunity, loss of anticipated profits, loss caused by waste of management time, loss or any special, indirect or consequential loss or damage, any fact with respect to any claim already

disclosed by one Party to the other Party on or before the Effective Date, the claim results from, or the amount of the claim is increased because of, any claim with respect to new Applicable Law or a change in the Applicable Law or in its interpretation, in each case taking effect on or after the date of execution of this Agreement, the matter giving rise to the claim is put right without cost to the Indemnified Party, the claim is in respect of any forecast, estimate, projection or other statement which relates to the future or the Indemnified Party is reasonably compensated by the third party for the matter giving rise to the claim.

- 10.5. The Indemnified Party must take reasonable actions to mitigate any claims, loss, liability, costs or other damage suffered as a result of a breach of a warranty or any matter that is the subject of a claim.
- 10.6. Notwithstanding anything to contrary, none of the Parties shall be liable to make any payment under this Clause 10 in respect of any claim which is less than Rs.5,00,000 and for aggregate of all the claims whatsoever in this Agreement which are exceeding the amount of Rs.25,00,000 .
- 10.7. The Indemnified Party shall reimburse the other Party if the Indemnified Party recovers an amount under this Clause 10 in respect of any claim and the Indemnified Party then receives an amount from the third party under a final judgment or award (which cannot be appealed) or under an enforceable settlement, and this amount would have reduced the amount recovered by the Indemnified Party if it had been received before the recovery.
- 10.8. Either Party shall not make a claim unless it notifies the other Party before the expiry of three years from the Effective Date.
- 10.9. Except as expressly set forth in this Agreement, the Purchaser is not making any representation, warranty, covenant or agreement with respect to the matters contained herein. After the consummation of the sale of the Transferred Assets to the Purchaser as contemplated by this Agreement, neither Party shall be entitled to rescind this Agreement or the transaction contemplated hereby.

11. INSPECTION OF TRANSFERRED ASSETS

From the date hereof until the Effective Date, upon reasonable notice, the Seller shall (i) cause each of its officers, directors, employees and authorized agents to allow the officers, employees and authorized agents of the Purchaser reasonable access during normal business hours of the Seller to the offices, properties, books and records of the Transferred Assets; and (ii) furnish to the officers, employees and authorized agents of the Purchaser such financial and operating data and other information regarding the Transferred Assets as the Purchaser may from time to time reasonably request.

12. MAINTENANCE OF BOOKS AND RECORDS

The Seller will retain all books of accounts and other relevant papers, documents and records relating to the Transferred Assets, the possession of which have not been handed over to the Purchaser and which are required by Applicable Law to be maintained by the Seller. Upon reasonable notice, the Seller shall permit the Purchaser and its authorized representatives to inspect such books, papers, documents and records and make copies thereof during normal business hours of the Seller. In order to facilitate the resolution of any claims made by or against the Purchaser, the Seller shall permit and allow the Purchaser to produce and exhibit and tender

such books, papers, documents and records relating to the Transferred Assets in any legal proceedings as and when required by the Purchaser.

13. NOTICES

- 13.1. Any notice required or authorised to be given by either Party hereunder to the other shall be in writing and shall be given or made by delivery in person, by courier service, by email, or if sent by registered mail (postage prepaid, return receipt requested) addressed to the office of the other Party as set out below or to such other address as shall from time to time be notified in writing. Such notice shall be deemed to have been duly given or made upon receipt in the case of delivery in person, by courier service and by email and in case of registered mail at the expiration of ten days from the date of posting to the details set out below:

Seller:

Mr. Amit Kumashi
Equinox Business Park, Tower-4, 9th Floor, unit no. 903, Kurla (West), Mumbai 400070
Email id: amit.kumashi@solvay.com

Purchaser:

Mr. Mohit Jalote
Equinox Business Park, Tower-4, 9th Floor, unit no. 903, Kurla (West), Mumbai 400070
Email id: mohit.jalote@solvay.com

- 13.2. Each notice or other communication given, delivered or made in connection with this Agreement shall only be in English.

14. ANNOUNCEMENTS

- 14.1. No announcement concerning the sale of the Transferred Assets shall be made by any Party at any time without the prior written approval of the other Party (such approval not to be unreasonably withheld or delayed) of the content, timing and media used.
- 14.2. Notwithstanding Section 14.1, a Party may, after notice to the other Party, make an announcement concerning the sale of the Transferred Assets if required by:
- (a) Applicable Law; or
 - (b) Any regulatory or governmental body to which such Party is subject, wheresoever situated.

15. ASSIGNMENT

This Agreement shall be binding and shall ensure for the benefit of the successors and permitted assigns of each Party. Neither Party may assign, in whole or in part, the benefits or obligations of this Agreement to any other person without the prior written consent of the other Party, such consent not to be unreasonably withheld.

16. TERM AND TERMINATION

- 16.1. Term

This Agreement shall remain valid and binding with respect to each of the Parties hereto until such time that it is terminated in accordance with Section 16.2 below.

- 16.2. If at any time prior to the Effective Date, there is any material breach or non-fulfillment by either Party (the “**Defaulting Party**”) of its obligations hereunder, which in any case is incapable of remedy or, if capable of remedy, is not remedied within thirty (30) days of receipt of notice from the other party (the “**Non Defaulting Party**”), then in any such case, the Non-Defaulting Party shall be entitled, in addition and without prejudice to its any other rights and remedies, to elect by notice in writing to the Defaulting Party to terminate this Agreement, without prejudice to the rights and liabilities which have accrued prior to termination and without prejudice to the rights and obligations as are intended to survive termination.

17. **NON-COMPETITION**

The Seller agrees on its own behalf and on behalf of its Affiliates that for a period of five (5) years from the Effective Date, the Seller and its Affiliates shall not manufacture or sell the Products or substantially similar products manufactured using the Intellectual Property or process or technology or any other process or method applied for manufacture of the Products, on their own behalf or on behalf of others in the following territories India, Pakistan, Bangladesh, Nepal and Sri Lanka. This Section shall survive the termination or expiration of the Agreement. The Seller acknowledges that the restrictions against it set out in this Clause 17 are reasonable and that the duration of the restriction contained therein, and extent and application of such restriction is no greater than is necessary for the legitimate protection of the business of the Purchaser and the goodwill relating to the business of the Purchaser and the value of the Transferred Assets being acquired by the Purchaser pursuant to this Agreement.

18. **SEVERABILITY**

If any term or provision of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remainder of this Agreement shall not in any way be affected or impaired and a suitable provision shall be negotiated and incorporated in this Agreement to preserve as near as possible the original intent of this Agreement.

19. **REMEDIES AND WAIVERS**

- 19.1. This Agreement shall be specifically enforceable at the instance of any Party. Parties agree that a Non Defaulting Party will suffer immediate, material, immeasurable, continuing and irreparable damage and harm in the event of any material breach of this Agreement and the remedies under Applicable Law in respect of such breach will be inadequate (each Party hereby waives the claim or defense that an adequate remedy under Applicable Law is available) and that such Non Defaulting Party shall be entitled to seek specific performance against the Defaulting Party for performance of its obligations under this Agreement in addition to any and all other legal or equitable remedies available to it.
- 19.2. No delay or omission by any Party to this Agreement in exercising any right, power or remedy prescribed by law or under this Agreement shall impair such right, power or remedy or operate as a waiver thereof. In the event such power or remedy provided by law or under this Agreement is not exercised the same shall not preclude any other or further exercise of it or the exercise of some other right, power or remedy. All rights and remedies existing under this Agreement, except as otherwise provided herein, are cumulative to and not exclusive of any rights or remedies otherwise available.

20. **COUNTERPARTS**

This Agreement may be executed in counterparts, and by the Parties on separate counterparts but shall not be effective until each Party has executed at least one counterpart. Each counterpart when executed shall be deemed an original of this Agreement but both counterparts shall constitute but one and the same agreement.

21. **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of India and subject to Clause 26 (Dispute Resolution) hereof, the courts at Mumbai, India shall have exclusive jurisdiction on the matters arising from this Agreement, without regard to the applicable principles of conflicts of laws.

22. **COSTS AND EXPENSES**

All expenses incurred by or on behalf of the Parties hereto (including all fees of agents, attorneys and other persons engaged by either Party in connection with the negotiation, preparation and execution of this Agreement) shall be borne by the Party that incurred such expenses. Notwithstanding the foregoing, any registration fees or stamp duty on this Agreement that may be imposed by the relevant authorities presently or in future and all levies of whatsoever nature assessed, charged or payable on or in respect of the sale or purchase of the Transferred Assets or any part thereof shall be paid by the Purchaser.

23. **ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes any prior agreements and undertakings, both written and oral.

24. **CONFIDENTIALITY**

24.1. Each Party shall treat as confidential all information obtained as a result of entering into or performing this Agreement, which relates to:

- (a) the provisions of this Agreement;
- (b) the negotiations relating to this Agreement; or
- (c) any other Party.

24.2. A Party may disclose information, which would otherwise be confidential:

- (a) if and to the extent required by Applicable Law or for the purpose of any judicial proceedings;
- (b) if and to the extent required by any securities exchange or regulatory or governmental body to which any Party is subject or submits, wherever situated, whether or not the requirement for information has the force of Applicable Law;
- (c) if and to the extent required to vest the full benefit of this Agreement in that Party;

- (d) to its shareholders, partners, professional advisers, auditors and bankers;
- (e) if and to the extent the information has come into the public domain through no fault of that Party; or
- (f) if and to the extent the other Party has given prior written consent to the disclosure (such consent not to be unreasonably withheld or delayed).

Any information to be disclosed pursuant to sub-sections (a) or (b) above, shall be disclosed only after notice to the other Party.

25. **FURTHER ASSURANCE**

The Seller and the Purchaser agree that they shall take all necessary steps to effectively transfer the Transferred Assets and shall to that extent execute such documents and do all acts, deeds, matters and things and take such further steps as may be necessary now or hereinafter to effectively transfer the Transferred Assets.

26. **DISPUTE RESOLUTION**

- 26.1. In the case of any dispute arising out of or in connection with this Agreement or its performance, including any question regarding its existence, validity or termination, the Parties shall first endeavour to reach an amicable settlement through mutual consultations and negotiations. If the parties are unable to reach an amicable settlement within thirty (30) days from the date on which the dispute arose (except as to any matter for which express provisions are made in this Agreement), any of the Parties may make a reference to arbitration in accordance with Section 26.2 hereof.
- 26.2. In the absence of any settlement of disputes under Section 26.1 above, any and all disputes or differences arising out of or in connection with this Agreement or its performance shall be submitted to arbitration at the request of a Party upon written notice to that effect to the other Party and such arbitration shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996 (the “**Arbitration Act**”) by a sole arbitrator mutually appointed by the Parties.
- 26.3. The language of the arbitration shall be English. The venue of the arbitration shall be at Mumbai, India.
- 26.4. Arbitration awards rendered shall be final and binding and shall not be subject to any form of appeal. The losing Party, as determined by arbitrators, shall pay all reasonable out of pocket expenses (including, without limitation, reasonable attorneys' fees) incurred by the prevailing Party, as determined by the arbitrators, in connection with any dispute unless the arbitrators direct otherwise.
- 26.5. Nothing shall preclude either party from seeking interim or permanent equitable or injunctive relief, or both, from any court having jurisdiction to grant the same. The pursuit of equitable or injunctive relief shall not be a waiver of the duty of the parties to pursue any remedy for monetary damages through the arbitration described in this section.

27. **SURVIVAL**

The provisions of Clause 10 (Indemnification), Clause 24 (Confidentiality), Clause 21 (Governing Law), Clause 26 (Dispute Resolution), Clause 13 (Notices), and Clause 22 (Costs and Expenses) shall survive the termination of this Agreement. The provisions of the Agreement which have been expressly stipulated to survive in this Clause 27 or by their very nature are intended to survive, the termination and/or expiry of this Agreement, shall survive the termination and/or expiry of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have put their respective hands to this writing on the day and year first hereinabove mentioned.

SIGNED AND DELIVERED FOR AND ON BEHALF OF

SELLER

Title: [●] [Name] [●]

[Designation] [●]

In the presence of:

Witnesses

1. [●]

2. [●]

SIGNED AND DELIVERED FOR AND ON BEHALF OF

PURCHASER,

Title: [●] [Name] [●]

[Designation] [●]

In the presence of

Witnesses

1. [●]

2. [●]

3. [●]