



महाराष्ट्र MAHARASHTRA

● 2021 ●

BF 698694

प्रधान मुद्रांक कार्यालय, मुंबई  
प.म. ति. क्र. १.०००००६  
- 7 SEP 2021  
सक्षम अधिकारी

श्री. वि. क. जयर्ष

This non-judicial stamp paper of Rs 500 bearing number BF 698694 forms an integral part of "Amended and Restated Shareholder's Agreement executed between Sula Vineyards Private Limited and its shareholders."







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This non-judicial stamp paper of Rs. 500 and the subsequent stamp paper forms an integral part of the "Amended and Restated Shareholders Agreement executed between Sula Vineyards Private Limited and its shareholders.



**THIS AMENDED AND RESTATED SHAREHOLDERS' AGREEMENT** is made as on this **January 22, 2022** at Mumbai, **BETWEEN**

**Sula Vineyards Limited**, a public limited company incorporated under the Companies Act, 1956, and having its registered office at 901 Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai – 4000 69 (hereinafter referred to as the “**Company**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **FIRST PART**;

**AND**

**Verlinvest Asia Pte Limited**, a company duly incorporated and registered under the laws of Singapore, and having its registered office at 163 Penang Road, #04-04 Winsland House II, Singapore, 238463 (hereinafter referred to as “**Verlinvest Asia**”, which expression shall, unless repugnant to the context or subject, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **SECOND PART**;

**AND**

**Verlinvest S.A.**, a company duly incorporated and registered under the laws of Belgium, and having its registered office at Place Flagey 18, 1050 Brussels, Belgium (hereinafter referred to as “**Verlinvest SA**”, which expression shall, unless repugnant to the context or subject, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **THIRD PART**;

**AND**

**Cofintra S.A.**, a company duly incorporated and registered under the laws of Belgium, and having its registered office at Place Flagey 18, 1050 Brussels, Belgium (hereinafter referred to as “**Cofintra**”, which expression shall, unless repugnant to the context or subject, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **FOURTH PART**;

**AND**

**Verlinvest France S.A.**, a company duly incorporated and registered under the laws of France, and having its registered office at 50, rue Castagnary 75015 Paris, France (hereinafter referred to as “**Verlinvest France**”, which expression shall, unless repugnant to the context or subject, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **FIFTH PART**;

**AND**

**Saama Capital III Ltd.**, a company incorporated under the laws of Mauritius, and having its registered office at 4<sup>th</sup> Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius (hereinafter referred to as “**Saama**”, which expression shall, unless repugnant to the context or subject, be deemed to mean and

include its successors, administrators, permitted nominees, and permitted assigns) of the **SIXTH PART**;

**AND**

**GIA (Sula) Holdings Limited**, a company incorporated and validly existing under the laws of Mauritius, and having its registered office at 4<sup>th</sup> Floor, Ebene Skies, Rue de l'Institut, Ebene 80817, Mauritius (hereinafter referred to as "**GIA**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **SEVENTH PART**;

**AND**

**Haystack Investments Limited**, a company incorporated and validly existing under the laws of Mauritius, and having its registered office at 4<sup>th</sup> Floor, Ebene Skies, Rue de l'Institut, Ebene, Mauritius (hereinafter referred to as "**Haystack**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors, administrators, permitted nominees, and permitted assigns) of the **EIGHTH PART**;

**AND**

**Mr. Narain Girdhar Chanrai**, aged about 70 years, and residing at 9 Ardmore Park, #14-02, Singapore 259955 (hereinafter referred to as "**Narain**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his successors, administrators, permitted nominees, and permitted assigns) of the **NINTH PART**;

**AND**

**Mr. Sanjay Naraindas Kirpalani**, aged about 52 years and residing at 6 Ardmore Park, #10-00 Juniper at Ardmore, Singapore 259953 (hereinafter referred to as "**Sanjay**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his successors, administrators, permitted nominees, and permitted assigns) of the **TENTH PART**;

**AND**

**Dr. Rabin Diwan Lai** and **Mrs. Dolly Lai**, aged about 64 years and 59 years respectively, and both residing at 2021 Terraza Place, Fullerton, CA 92835, USA (hereinafter referred to as "**R&D**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include their successors, administrators, permitted nominees, and permitted assigns) of the **ELEVENTH PART**;

**AND**

**Ms. Shashi Vig**, aged about 72 years and residing at 55 Cairnhill Road, #27-06 Cairnhill Plaza, Singapore 229666 (hereinafter referred to as “**Shashi**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include their successors, administrators, permitted nominees, and permitted assigns) of the **TWELFTH PART**;

**AND**

**Mousserena, L.P.**, an exempted limited partnership validly existing under the laws of Cayman Islands, and having its registered office at Maples Corporate Services Limited, Uglan House, P.O. Box 309, South Church Street, Grand Cayman, George Town, Cayman Islands, KY1-1104 (hereinafter referred to as the “**Mousserena**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **THIRTEENTH PART**;

**AND**

**Swip Holdings Limited**, a company incorporated under the laws of Mauritius, having its principal place of business at Mauritius International Trust Company Limited, 4th Floor, Ebène Skies Rue de l’Institut, Ebène, Republic of Mauritius (hereinafter referred to as the “**Swip**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **FOURTEENTH PART**;

**AND**

**DSGCP Buildout II**, a company incorporated under the laws of Mauritius, having its registered office at c/o Apex Fund Services (Mauritius) Ltd, 4th Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius (hereinafter referred to as the “**DSGCP**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **FIFTEENTH PART**;

**AND**

**Mr. Rajeev S. Samant**, son of Mr. Suresh A. Samant, aged about 51 years, and currently residing at Carmichael House, Carmichael Road, Mumbai - 400 026 (hereinafter referred to as the “**Promoter**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his legal heirs, executors, administrators, permitted nominees, and permitted assigns) of the **FIFTEENTH PART**;

**AND**

**Mrs. Sulabha S Samant**, wife of Mr. Suresh A. Samant, aged about 79 years, and currently residing at Carmichael House, Carmichael Road, Mumbai - 400 026 (hereinafter referred to as the “**SSS**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include her legal heirs, executors, administrators, permitted nominees, and permitted assigns) of the **SIXTEENTH PART**;

**AND**

**Mr. Suresh A Samant**, son of Mr. Anant Samant aged about 84 years, and currently residing at Carmichael House, Carmichael Road, Mumbai - 400 026 and **Mrs. Sulabha S Samant**, wife of Mr. Suresh A. Samant, aged about 79 years, and currently residing at Carmichael House, Carmichael Road, Mumbai - 400 026 (hereinafter referred to as the “**S&S**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include each of their legal heirs, executors, administrators, permitted nominees, and permitted assigns) of the **SEVENTEENTH PART**;

**AND**

**The Persons listed in Schedule I** being individuals / entities with details as elaborated in Schedule I to this Agreement (hereinafter individually referred to as the "**Other Principal Shareholder**" and collectively as the “**Other Principal Shareholders**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include their respective heirs, successors, legal representatives, administrators, executors and permitted assigns) of the **EIGHTEENTH PART**.

The Promoter, SSS and S&S are hereinafter individually referred to as a “**Management Shareholder**” and collectively referred to as the “**Management Shareholders**”.

Verlinvest Asia, Verlinvest SA, Verlinvest France, and Cofintra are hereinafter collectively referred to as the “**Verlinvest Group**”.

Verlinvest Asia, Verlinvest SA, Verlinvest France, Cofintra, Saama, Mousserena, GIA, Haystack, DSCGP, Sanjay, Narain, R&D, Swip, and Shashi are hereinafter, where the context so requires, collectively referred to as the “**Investors**”. It is hereby clarified that a reference to “such Investor(s)”, any “Investor(s)” or “the Investors” may be reference to any one or more Investors, as the context may suggest, and need not always be a reference to all the Investors.

Each of the Company, the Investors, the Management Shareholders, and the Other Principal Shareholders shall individually be referred to herein, where the context so permits, as a “**Party**” and collectively as the “**Parties**”. It is hereby clarified that a reference to “the Parties” may be reference to any two or more Parties to this Agreement, as the context may suggest, and need not always be a reference to all Parties to this Agreement.

**WHEREAS:**

- A. The Company is engaged in the business of producing, processing, bottling, marketing, promoting, selling, distributing, domestic/imported still/sparkling wines, various alcoholic beverages under various brands in and outside India and providing hospitality and entertainment services promoting wine tourism (“**Business**”) and the other Parties are Shareholders of the Company.
- B. Few of the Parties had, along with certain Persons who are not Parties hereto, previously entered into a Share Subscription and Shareholders’ Agreement dated April 28, 2014 (the “**Existing SHA**”) setting out their respective rights and obligations as Shareholders in the Company and

also entered into binding Heads of Terms dated March 27, 2018 (“**Heads of Terms**”), whereunder it was agreed, inter alia, to amend, restate, and replace the Existing SHA.

- C. The Parties are now desirous of amending, restating, and replacing the Existing SHA by entering into this Agreement to definitively (i) set out the rights and obligations of the Shareholders in respect of the management and governance of the Company and of the Securities held by each of them and (iii) record certain other rights and obligations as set forth herein.

**IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO, AND THIS AGREEMENT WITNESSETH AS UNDER:**

**1. DEFINITIONS AND INTERPRETATION**

**1.1. Definitions:**

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

“**Accepted Shares**” shall have the meaning ascribed to the term under Clause 4.4 below.

“**Act**” means the (Indian) Companies Act, 2013, and wherever applicable, the (Indian) Companies Act, 1956, the respective rules framed thereunder, and any subsequent amendment or re-enactment thereof for the time being in force.

“**Aggregate Indemnification Amount**” shall have the meaning ascribed to the term under Clause 15.6 below.

“**Affiliate**” of a Party shall mean (i) where such Party is an individual or body corporate, any limited liability partnership in which such Party is a partner, (ii) where such Party is a company or body corporate, any Person which Controls, is Controlled by, or is under common Control with such Party, (iii) where such Party is a trust, any trustee, or settlor of the trust, or any Person which Controls, is Controlled by, or is under common Control with any of the above Persons, and (iv) where such Party is an individual, (a) any Person (other than an individual) which is Controlled by such Party or (b) any Person who is a relative of such Party, as the term “relative” is defined in the Act; provided, however, that a Competitor shall not, for the purposes of this Agreement be considered to be an Affiliate of a Party.

“**Agreement**” shall mean this Amended and Restated Shareholders’ Agreement together with the recitals and the annexures attached hereto, as may be amended from time to time.

“**Alternate Director**” shall have the meaning ascribed to the term under Clause 11.12 below.

“**Anti Dilution Event**” with respect to the Verlinvest Group shall mean the issuance of Securities of the Company to any Person, not being issuances of up to the Option Threshold to employees of the Company, at an effective price per Equity Share that is lower than INR 170 (Indian Rupees One Hundred and Seventy only).

“**Applicable Law**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, clearance, directive, guideline, policy, requirement, or any governmental, legislative or judicial restriction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of this Agreement or thereafter.

“**Arbitration Notice**” shall have the meaning ascribed to the term under Clause 22.2(i) below.

“**Arbitration Response**” shall have the meaning ascribed to the term under Clause 22.2(ii) below.

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

“**Board**” means the board of directors of the Company.

“**Business**” shall have the meaning ascribed to the term in Recital A to this Agreement.

“**Business Day**” means a day, not being a Saturday or a Sunday or a public holiday, on which banks are open for business in Mauritius, Singapore, Brussels, and India; and, in the context of a payment being made to or from a scheduled commercial bank in any other place, in such other place.

“**Buyer**” shall have the meaning ascribed to the term in Clause 9.1 below.

“**CEO**” shall have the meaning ascribed to the term under Clause 11.4 below.

“**Charter Documents**” means the Memorandum and the Articles.

“**Cofintra**” means Cofintra S.A., a company incorporated and registered under the laws of Belgium and having its registered office at Place Flagey 18, 1050 Brussels, Belgium.

“**Company**” means Sula Vineyards Limited, a company registered under the Act and having its registered office at 901 Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai – 4000 69.

“**Competitor**” shall mean (i) any Person directly or indirectly engaged in the Business, or (ii) the promoter or an Affiliate or a Person in Control of such Person, or (iii) any other Person (a) which is Controlled by such Person, or (b) in which such Person has appointed a nominee director.

“**Consents**” means any permit, permission, license, approval, authorization, consent, clearance, waiver, no objection certificate or other authorization of whatever nature and by whatever name called which is required to be granted by any Governmental Authority, the board of directors, shareholders, partners, trustees, creditors or any other authority under any Applicable Law or contract to which a Party is subject, as the case may be.

“**Control**” means the possession or ownership, by a Person or a group of Persons acting in concert, directly or indirectly, of more than 50% (Fifty percent) of the voting securities of another Person, or the power to direct or cause the direction of the management and policies of another Person, whether



through the right to appoint a majority of the board of directors or ownership of voting rights in such other Person, by contract or otherwise.

“**Deed of Adherence**” means the Deed of Adherence set out in Schedule III to this Agreement.

“**Default Event**” shall have the meaning ascribed to the term under Clause 24.4 below.

“**Director**” shall mean a director of the Company and any alternate of such director appointed in accordance with the Act and the Articles.

“**Dispute**” shall have the meaning ascribed to the term under Clause 22.1 below.

“**Dividend Policy**” means the dividend policy of the Company set out at Clause 3.

“**DSGCP**” means DSGCP Buildout II, a company registered under the laws of Mauritius and having its registered office at 4th Floor, Bank Street, Cybercity, Ebene, 72201, Mauritius.

“**Effective Date**” shall be 28<sup>th</sup> September 2018.

“**ESOP**” means the employee stock option plan of the Company.

“**Encumbrance**” means any encumbrance, mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, easement, claim, security interest, interest, option, lien, charge (whether fixed or floating), commitment, beneficial ownership (including usufruct and similar entitlements), restriction or limitation of any nature whatsoever, including restriction on voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same, and the words “Encumber” and “Encumbered” shall be construed accordingly.

“**Equity Share**” means fully paid up Equity Shares in the issued, subscribed and paid up Equity Share capital of the Company having a face value of INR 2.00 (Indian Rupees Two only) each, as adjusted towards any stock split, consolidation, bonus shares or similar adjustment event or any other issued share capital of the Company that is reclassified, reorganised, reconstituted or converted into Equity Shares of the Company.

“**Exercise Notice**” shall have the meaning ascribed to the term under Clause 4.3 below.

“**Existing SHA**” shall have the meaning ascribed to the term in Recital B to this Agreement.

“**Exit Sale**” shall have the meaning ascribed to the term under Clause 9.7 below.

“**Exiting Shareholder**” shall have the meaning ascribed to the term under Clause 9.7 below.

“**Exit Transferee**” shall have the meaning ascribed to the term under Clause 9.7 below.

“**Financial Year**” means the financial year of the Company commencing on April 1st of every year and ending on March 31st of the following year, or, subject to Applicable Law, such other financial year of the Company as the Company may from time to time legally designate as its financial year.

“**Fully-Exercising Holder**” shall have the meaning ascribed to the term under Clause 4.4 below.

“**Fully Diluted Basis**” means the basis for computation of share capital or share ownership whereby all outstanding convertible securities (including warrants) or options that are convertible, exercisable or exchangeable into Equity Shares, are assumed to have been so converted, exercised or exchanged.

“**GIA**” means GIA (Sula) Holdings Limited, a company incorporated under the laws of Mauritius, and having its registered office at 4<sup>th</sup> Floor, Ebene Skies, Rue de l’Institut, Ebene 80817, Mauritius.

“**Governmental Authority**” means any government or political subdivision thereof, or any ministry, department, board, authority, instrumentality, agency, corporation or commission owned by or under the direct or indirect control of any such government or political subdivision, or any court, tribunal, administrative agency, judicial, quasi-judicial or regulatory body of such government or political subdivision, any arbitrator or any stock exchange.

“**Haystack**” means Haystack Investments Limited, a company incorporated and registered under the laws of Mauritius, and having its registered office at 4th Floor, Ebene Skies, Rue de l’Institut, Ebene, Mauritius.

“**Heads of Terms**” shall have the meaning ascribed to the term under Recital B of this Agreement.

“**Investor**” shall mean any of Verlinvest Asia, Verlinvest SA, Verlinvest France, Cofintra, Saama, Mousserana, GIA, Haystack, Swip, DSGCP, Mr. Sanjay Naraindas Kirpalani, Mr. Narain Girdhar Chanrai, Dr. Rabin Diwan Lai jointly with Mrs. Dolly Lai and Ms. Shashi Vig.

“**Immediate Relatives**” shall mean in reference to a Person such Person’s father, mother, spouse, siblings, children, and grandchildren.

“**Indemnifying Party**” shall have the meaning ascribed to the term under Clause 15.1 below.

“**Indemnified Party**” shall have the meaning ascribed to the term under Clause 15.1 below.

“**Initial Public Offering**” shall mean an initial public offering of the Equity Shares of the Company, either through issue of fresh Equity Shares to the public and/or an Offer for Sale, whereby the Company’s Equity Shares are listed and admitted for trading on a recognised stock exchange in India, which stock exchange shall be mutually agreed upon between the Verlinvest Group and the Promoter.

“**Issuance Notice**” shall have the meaning ascribed to the term under Clause 4.2 below.

“**Issuance Price**” shall have the meaning ascribed to the term under Clause 4.2 below.

“**Issuance Shares**” shall have the meaning ascribed to the term under Clause 4.2 below.

“**Key Employees**” means the Persons listed in Schedule VI to this Agreement.

“**Losses**” shall have the meaning ascribed to the term under Clause 15.1 below.

“**Lower Priced IPO**” shall have the meaning ascribed to the term under Clause 10.8 below.

“**Management Shareholders**” means Promoter, SSS and S&S.

“**Memorandum**” shall mean Memorandum of Association of the Company

“**Minimum Entitlement**” shall have the meaning ascribed to the term in Clause 8.3 below.

“**Mousserena**” means Mousserena, L.P., an exempted limited partnership validly existing under the laws of Cayman Islands, and having its registered office at Maples Corporate Services Limited, Uglund House, P.O. Box 309, South Church Street, Grand Cayman, George Town, Cayman Islands, KY1-1104.

“**New Issuance**” shall have the meaning ascribed to the term in Clause 4.1 below.

“**Non-Exercising Shareholder**” shall have the meaning ascribed to the term under Clause 4.4 below.

“**Observer**” shall have the meaning ascribed to the term in Clause 11.8 below.

“**Offer for Sale**” shall mean offering for sale of Equity Shares by the then existing Shareholders of the Company to public at the time of an Initial Public Offering.

“**Offered Price**” shall have the meaning ascribed to the term in Clause 9.2 below.

“**Offered Shares**” shall have the meaning ascribed to the term in Clause 9.1 below.

“**Offer Notice**” shall have the meaning ascribed to the term in Clause 7.2 below.

“**Offering Shareholder**” shall have the meaning ascribed to the term in Clause 7.1 below.

“**Offer Terms**” shall have the meaning ascribed to the term in Clause 7.2 below.

“**Option Threshold**” shall mean issuances by the Company of employee stock options to employees, officers or Directors of the Company pursuant to incentive arrangements approved by the Board, and the Securities issued pursuant to the exercise of these options, subject to a maximum limit of 7.04% (Seven and Four Hundredths percent) of the Equity Share Capital of the Company on a Fully Diluted Basis as on the Effective Date (which shall include the warrants that may be issued to the Promoter pursuant to the Promoter Incentive Agreement). It is clarified that any employee stock options offered by the Company pursuant to a Super Majority Resolution after the Effective Date shall not be subject to or included within the aforesaid maximum limit of 7.04% (Seven and Four Hundredths percent). However, other than the incentives offered to the Promoter pursuant to the Promoter Incentive Agreement, none of the Management Shareholders, Other Principal Shareholders (other than Mr.

Chaitanya Rathi, Mr. Karan Vasani, Ms. Cecilia Oldne, Mr. Manoj Rawat, Mr. Monit Dhavale, Mr. Nana Madhav Shelke, Mr. Neil Fernandes, and Mr. Gorakh Gaikwad) or their relatives (as the term is defined under the Act) shall be eligible for issue of employee stock options or similar instruments. It is further clarified that the price for all future employee stock options issued post the shall be as per the agreed pricing mechanism (as provided in Schedule II to this Agreement) at the exercise price per share (as provided in Schedule II to this Agreement) or at INR 170 (Indian Rupees One Hundred Seventy only), whichever is higher.

“**Original Director**” shall have the meaning ascribed to the term under Clause 11.12 below.

“**Other Principal Shareholders**” means the Persons mentioned in Schedule I to this Agreement.

“**Participating Shareholders**” shall have the meaning ascribed to the term in Clause 4.4 below.

“**Party**” means individually, the Company, the Management Shareholders, Other Principal Shareholders, and the Investors.

“**Person**” means and includes an individual, Hindu undivided family, partnership, body corporate, company, unincorporated organization or association, trust, Governmental Authority or other entity, whether incorporated or not.

“**Pre-emptive Right**” shall have the meaning ascribed to the term under Clause 4.1 below.

“**Pre-emptive Right Holder**” shall have the meaning ascribed to the term under Clause 4.1 below.

“**Promoter**” means Mr. Rajeev S Samant.

“**Promoter Incentive Agreement**” means the agreement of the even date entered into between the Promoter and the Company, for amending the Promoters rights and compensation under the Promoter’s employment agreement executed on 25<sup>th</sup> August, 2009, which shall be in a form agreeable to the Company, the Promoter, and the Verlinvest Group.

“**Promoter Notice**” shall have the meaning ascribed to the term under Clause 7.1 below.

“**Proposed Investors**” shall have the meaning ascribed to the term under Clause 26.11 below.

“**Purchaser**” shall have the meaning ascribed to the term under Clause 8.2 below.

“**Qualified IPO**” means an Initial Public Offering through a book building process wherein the price per Equity Share at the lower end of the price band as recommended by the merchant bankers to the Initial Public Offering is at least INR 300 (Indian Rupees Three Hundred only). It is clarified that a Qualified IPO may be underwritten at the option of the Company.

“**Response Notice**” shall have the meaning ascribed to the term under Clause 8.3 below.

“**Right of First Offer**” shall have the meaning ascribed to the term under Clause 7.2 below.

“**Right of First Refusal**” shall have the meaning ascribed to the term under Clause 8.3 below.

“**RoFO Notice**” shall have the meaning ascribed to the term under Clause 7.3 below.

“**RoFO Rejection**” shall have the meaning ascribed to the term under Clause 7.5 below.

“**RoFO Shares**” shall have the meaning ascribed to the term under Clause 7.1 below.

“**RoFR Party**” shall have the meaning ascribed to the term under Clause 8.1 below.

“**RoFR Shares**” shall have the meaning ascribed to the term under Clause 8.1 below.

“**Referring Party**” shall have the meaning ascribed to the term under Clause 22.2(i) below.

“**Refusing Shareholder**” shall have the meaning ascribed to the term in Clause 8.3 below.

“**Reserved Matters**” shall have the meaning ascribed to the term under Clause 12.1 below.

“**Responding Parties**” shall have the meaning ascribed to the term under Clause 22.2(i) below.

“**Response Notice**” shall have the meaning ascribed to the term in Clause 8.3 below.

“**Right of First Offer**” shall have the meaning ascribed to the term in Clause 7.2 below.

“**Rupee**” or “**INR**” shall mean Indian Rupees, the lawful currency of India.

“**S&S**” means Mr. Suresh A Samant and Mrs. Sulabha S Samant.

“**SSS**” means Mrs. Sulabhha S Samant.

“**Saama**” means Saama Capital III Ltd., a company registered under the laws of Mauritius, and having its registered office at 4<sup>th</sup> Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.

“**Sale Notice**” shall have the meaning ascribed to the term in Clause 8.2 below.

“**Sale Price**” shall have the meaning ascribed to the term in Clause 8.2 below.

“**Second Issuance Notice**” shall have the meaning ascribed to the term under Clause 4.4 below.

“**Second Subscription**” shall have the meaning ascribed to the term under Clause 4.4 below.

“**Securities**” means all Equity Shares, convertible preference shares, and convertible debentures issued by the Company.

“**Shareholders**” shall mean the duly registered holders from time to time of the Securities of the Company.



“**Specified Investor**” means any of Verlinvest SA, Verlinvest France, Cofintra, Verlinvest Asia, Saama, Mousserana, Swip, DSGCP, Mr. Sanjay Naraindas Kirpalani, Mr. Narain Girdhar Chanrai, Dr. Rabin Diwan Lai jointly with Mrs. Dolly Lai and Ms. Shashi Vig.

“**Super Majority Resolution**” means a resolution passed at a duly convened and quorate meeting of the Board approved by the requisite majority of the Directors present at such meeting, provided that such requisite majority shall include the affirmative vote of: (i) 1 (One) Verlinvest Director, other than (i.e., apart from) Mr. Deepak Shahdarpuri, provided Verlinvest continues to maintain its shareholding at or above the Threshold Limit (on a Fully Diluted Basis); (ii) a Director appointed by the Promoter.

“**SWIP**” means SWIP Holdings Limited, a company incorporated under the laws of Mauritius, having its principal place of business at Mauritius International Trust Company Limited, 4th Floor, Ebène Skies Rue de l’Institut, Ebène, Republic of Mauritius.

“**Tag Holder**” shall have the meaning ascribed to the term under Clause 9.1 below.

“**Tag Along Period**” shall have the meaning ascribed to the term under Clause 9.3 below.

“**Tag Along Right**” shall have the meaning ascribed to the term under Clause 9.1 below.

“**Tag Along Notice**” shall have the meaning ascribed to the term under Clause 9.2 below.

“**Tag Along Shares**” shall have the meaning ascribed to the term under Clause 9.1 below.

“**Tax**” means any tax, contribution, impost, withholding, levy or charge in the nature of tax in any jurisdiction, together with any interest, penalty, or addition thereto.

“**Threshold Limit**” means 7.5% (Seven and Five Tenths percent) of the Equity Share Capital of the Company on a Fully Diluted Basis.

“**Transfer**” means to transfer, sell, assign, place in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way subject to any Encumbrance or dispose of, whether or not voluntarily; and the word “**Transferred**” shall be construed accordingly.

“**Unsubscribed Issuance**” shall have the meaning ascribed to the term in Clause 4.4 below.

“**Verlinvest Asia**” means Verlinvest Asia Pte Limited, a company incorporated and registered under the laws of Singapore and having its office at 163 Penang Road, #04-04 Winsland House II, Singapore, 238463.

“**Verlinvest France**” means Verlinvest France S.A., a company incorporated and registered under the laws of France, and having its registered office at 50, rue Castagnary 75015 Paris, France.

“**Verlinvest SA**” means Verlinvest S.A., a company incorporated and registered under the laws of Belgium and having its registered office at Place Flagey 18, 1050 Brussels, Belgium.

“**Verlinvest Directors**” shall have the meaning ascribed to the term under Clause 11.1(ii) below.

“**Verlinvest Group**” means collectively Verlinvest SA, Verlinvest Asia, Verlinvest France, and Cofintra.

## 1.2. **Interpretation:**

In this Agreement, unless the context thereof otherwise requires:

- (i) 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;
- (ii) words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;
- (iii) headings to clauses, sub-clauses and paragraphs are for convenience only and shall not form part of the operative provisions of this Agreement or the annexures and shall be ignored in construing the same;
- (iv) the terms “hereto”, “hereof,” “herein,” “hereby”, and derivative or similar words refer to this entire Agreement and not to any particular clause, article or section of this Agreement;
- (v) a reference to an agreement, deed, instrument or other document include the same as amended, novated, supplemented, varied or replaced from time to time in accordance with the terms of such document; and if applicable, of this Agreement with respect to amendments;
- (vi) all accounting terms used herein and not expressly defined herein shall have the meanings given to them under Indian GAAP;
- (vii) references to recitals, clauses or schedules are, unless the context otherwise requires, to recitals or clauses of, or schedules to, this Agreement;
- (viii) reference to days, months and years are to Gregorian days, months and calendar years respectively;
- (ix) the words "include" and "including" are to be construed without limitation;
- (x) no provision of this Agreement shall be interpreted in favor of, or against, any Party by reason of the extent to which such Party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof, and this Agreement shall be deemed to have been drafted by all the Parties jointly;
- (xi) 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;

- (xii) the schedules to this Agreement form an integral part of this Agreement;
- (xiii) if any provision in Clause 1.1 above 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;
- (xiv) when any number of days is prescribed in any document, the 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;
- (xv) the terms “writing”, “written” and derivative or similar terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form;
- (xvi) Capitalised terms used, but not defined, in this Agreement shall bear the meaning commonly ascribed to them under the Applicable Laws of India; and
- (xvii) any right to be exercised, waiver or consent by the Verlinvest Group (as a whole) may be exercised by either one of Verlinvest Asia, Verlinvest SA, Verlinvest France, or Cofintra, except where the right, waiver or consent relates to the relevant Securities held by such Investor, in which case, such right shall only be available to the relevant Investor. It is clarified that a right, waiver or consent available to the Verlinvest Group (as a whole) can only be exercised by Verlinvest Asia, Verlinvest SA, Verlinvest France, or Cofintra and may not be exercised again unless also specifically available to another Investor belonging to the Verlinvest Group on account of the Securities held by such Investor.

## **2. EFFECTIVE DATE**

- 2.1. This Agreement shall come into, and be in full force and effect, on and from the date hereof (“**Effective Date**”).

## **3. DIVIDEND POLICY**

- 3.1. Subject to Applicable Laws and the financial wherewithal of the Company, the Company shall distribute a dividend of between 40% (Forty percent) and 60% (Sixty percent) of the Company’s net distributable profits (after Tax) generated in each Financial Year, subject to a minimum of INR 1 (Indian Rupee One only) per Equity Share, as may be agreed between the Board, the Promoter and the Verlinvest Group. The Parties shall do all acts in their capacity (including, but not limited to, voting their Securities), necessary to give effect to the intent of this Clause 3.1.

## **4. PRE-EMPTIVE RIGHT**

- 4.1. The Company shall give each of the Shareholders (each a “**Pre-emptive Right Holder**”) a *pro rata* (on a Fully Diluted Basis) right to subscribe to all future issuances by the Company of Securities (“**New Issuance**”), through a pre-emptive right of subscription (“**Pre-emptive Right**”) with respect to such New Issuance.

- 4.2. In respect of each New Issuance, the Pre-emptive Right shall be offered by the Company by issuing a written notice (“**Issuance Notice**”) to each Pre-emptive Right Holder, setting forth in detail the terms of the New Issuance, including the nature and the number of Securities proposed to be issued (“**Issuance Shares**”), the price of the Issuance Share (“**Issuance Price**”), the Pre-emptive Right Holder’s pro rate share in the New Issuance, the modalities for the exercise of the Pre-emptive right, and the date of closing of the New Issuance, which shall not be less than 30 (Thirty) Business Days from the date of the Issuance Notice.
- 4.3. If a Pre-emptive Right Holder wishes to exercise its Pre-emptive Right, such Pre-emptive Right Holder shall, within 21 (Twenty One) Business Days from the date of the Issuance Notice, issue a written notice to the Company, intimating the Company that it wishes to exercise its Pre-emptive Right (the “**Exercise Notice**”) and pay for and subscribe to such number of Issuance Shares as it wishes to subscribe to, up to a maximum amount that permits the Pre-emptive Right Holder to maintain its *pro rata* shareholding (on a Fully Diluted Basis) in the Company as at the date of the Issuance Notice, at the Issuance Price and on the terms and conditions set out in the Issuance Notice. Subject to the receipt of the payment of the Issuance Price, the Company shall issue and allot such number of Issuance Shares to the Pre-emptive Right Holder as is set out in the relevant Exercise Notice on the date of closing of the issuance as stated in the Issuance Notice.
- 4.4. If a Pre-emptive Right Holder does not exercise in full or in part, for any reason whatsoever, its Pre-emptive Right or fails to make payment of the Issuance Price to the Company against such exercise within the time period mentioned in Clause 4.3 above (such Pre-emptive Right Holder being the “**Non-Exercising Shareholder**”), then the Non-Exercising Shareholder shall be deemed to have forfeited its Pre-emptive Right in full or in part (as the case maybe) and the Company shall promptly inform of the same to each of the Pre-emptive Right Holders which has exercised in full its Pre-emptive Right (a “**Fully-Exercising Holder**”) by way of a written notice (the “**Second Issuance Notice**”), informing the Fully Exercising Holders of the number of Securities of the New Issuance initially allotted to the Non-Exercising Shareholders but remaining unsubscribed by the Pre-emptive Right Holders (such Securities being the “**Unsubscribed Issuance**”). Within 7 (Seven) Business Days of the date of the Second Issuance Notice, each of the Fully Exercising Holders shall have the right to make a binding offer to the Company indicating the total number of Issuance Shares of the Unsubscribed Issuance that such Fully Exercising Shareholder is willing to subscribe to (the Issuance Shares that the Fully Exercising Shareholders are willing to subscribe to being the “**Accepted Shares**” and a Fully Exercising Shareholder who has made such a binding offer being a “**Participating Shareholder**”) provided that the Unsubscribed Issuance shall be subscribed to by the Participating Shareholders *pro rata* to their relative shareholding in the Company (on a Fully Diluted Basis) as on the date of the Second Issuance Notice (“**Second Subscription**”) within the next 7 (Seven) Business Days.
- 4.5. In case of any Issuance Shares remaining unsubscribed after the Second Subscription, the same shall be offered first to each of the Participating Shareholders whose notified number of Accepted Shares are higher than their *pro rata* portion of Unsubscribed Issuance in a proportionate manner; and any Issuance Share still remaining may then be offered by the Board, at its discretion, to any Person at the Issuance Price and on the terms and conditions mentioned in the Issuance Notice,

provided, however, the Company shall issue the Issuance Shares to such Person within a period of 45 (Forty Five) Business Days from the expiry of the period mentioned in Clause 4.3 above, and any issuances by the Company after such 45 (Forty Five) Business Days shall be made only after issuing a fresh Issuance Notice to the Pre-emptive Right Holders and following the procedure set out in this Clause 4.

- 4.6. The Pre-emptive Right shall not be applicable in relation to (i) the issuance of Securities or options under an ESOP in favour of the employees, officers or Directors of the Company pursuant to incentive arrangements previously approved or to be approved in future by the Board, (ii) Securities which are issued as direct consideration for an acquisition by the Company of another business entity or the merger of any business entity with or into the Company, or (iii) Securities which are issued to Verinvest Group under Clause 5 below pursuant to an Anti Dilution Event.

## **5. ANTI DILUTION RIGHT**

- 5.1. As long as Verinvest Group maintains their aggregate shareholding in the Company at or above the Threshold Limit (on a Fully Diluted Basis), then the Verinvest Group shall be protected against any dilution of its aggregate shareholding in the Company in the event of any Anti Dilution Event. Subject to the above, on the occurrence of an Anti Dilution Event, the Company shall, and the other Shareholders shall cooperate with the Company in this regard, forthwith take all necessary steps to issue additional Equity Shares or Securities as the case may be to Verinvest Group as a whole or its individual members (regardless of their respective pro-rata shareholding inter se) at the least price permissible under Applicable Laws such that their respective shareholding remains the same as that prior to the Anti Dilution Event.

## **6. TRANSFER RESTRICTIONS**

- 6.1. So long as the Verinvest Group in the aggregate maintain its shareholding at or above the Threshold Limit (on a Fully Diluted Basis), the Management Shareholders and Other Principal Shareholders shall, subject to Clauses 6.2 below, not Transfer any Securities and undertake to maintain their aggregate direct and/or indirect shareholding and voting interests in the Company in the same pattern as on the Effective Date.
- 6.2. Notwithstanding anything contained in Clause 6.1 above, but subject to Clause 6.5 and Clause 6.6 below, the Management Shareholders and Other Principal Shareholders shall have the right to Transfer their Securities in the manner provided below, provided, however, that for any Transfers under Clause 6.2(ii), 6.2(iii), and 6.2(vii) below, the prior consent of the Verinvest Group shall be required, and that such consent shall not be unreasonably withheld by the Verinvest Group.
- (i) Transfer to (a) such Shareholder's Immediate Relatives, or (b) other Management Shareholders or (c) Other Principal Shareholders;
  - (ii) Transfer to the trustee or trustees of the trusts settled by any Person mentioned in Clause 6.2(i) above for the benefit of any other Persons mentioned in Clause 6.2(i) above only, provided,



however, that in case such trust(s) ceases to be for the benefit of the Person mentioned in Clause 6.2(i) above, then the Shareholder who transferred the Securities to the trustee(s) shall ensure that those Securities are transferred back to it from the trust;

- (iii) Transfer to any undertaking in any jurisdiction in which any Person mentioned in (i) or (ii) above has or have direct or indirect Control;
- (iv) Transfer approved by a Super Majority Resolution;
- (v) Transfer made in exercise of the Tag Along Right as contemplated in Clause 9;
- (vi) Transfer to any company/entity which is 100% (One Hundred percent) directly or indirectly owned by the Management Shareholders, provided that in case such company/entity to which Securities are transferred ceases to be 100% (One Hundred percent) owned by the Management Shareholders, the relevant Shareholder who transferred the Securities shall ensure that those Securities are transferred back to it by such company/entity;
- (vii) Transfer to an Affiliate of such transferring Shareholder, provided that in case such Affiliate to which Securities are transferred ceases to be an Affiliate of such Shareholder, then such Shareholder who transferred the Securities shall ensure that those Securities are transferred back to it by such Affiliate.

6.3. The Shareholders shall not create any Encumbrance (other than a permitted transfer under this Agreement), either directly or indirectly, in any manner, on all or any of the Securities or interests in the Company, without obtaining the prior written consent of the Board, acting on a Super Majority Resolution. Notwithstanding the foregoing, it is hereby clarified that the Management Shareholders shall be permitted to create Encumbrances over their Securities and interest in the Company for the purposes of raising finance for the Business of the Company.

6.4. Notwithstanding anything contained in this Agreement,

- (i) the Specified Investors shall have the right to Transfer their Securities without any restriction whatsoever other than those exceptions set out under Clause 6.5, Clause 6.6, Clause 7, and Clause 9 below;
- (ii) the other Investors (other than the Specified Investors) shall be entitled to freely Transfer any or all of the Securities held by them subject to the provisions of Clause 6.5, Clause 6.6, Clause 7, Clause 8, and Clause 9 below, and
- (iii) the Investors shall be free to Transfer their Securities to their Affiliates without any restriction other than those under Clause 6.5 and Clause 6.6,

and the Company and the Promoter shall extend any and all reasonable assistance to each Investor (as applicable) to consummate each such Transfer, including towards conducting a business, financial, and/or legal due diligence of the Company by the prospective buyer;

provided that neither Company nor the Promoter shall be required to provide any new representations/ warranties/rights to any such transferee.

- 6.5. Notwithstanding anything contained in this Agreement, none of the Shareholders shall Transfer any Security held by them to a Competitor without the prior written consent from the Promoter, and the Promoter shall not Transfer any of his Securities to a Competitor without the prior written consent of Verlinvest Group; provided, however, that if a Qualified IPO is not consummated within 365 (Three Hundred Sixty Five) calendar days from Verlinvest Group seeking the same in accordance with Clause 10 below, then each of the Verlinvest Group entities shall have the right to sell the Securities held by it including to a Competitor, subject to Clause 7, Clause 9, and Clause 10.7.
- 6.6. Notwithstanding anything contained in this Agreement, none of the Shareholders shall create any Encumbrance or Transfer the Securities held by them, either directly or indirectly, to or in favour of any Person who is not a party to this Agreement, unless such Person executes a Deed of Adherence in the form attached as Schedule III to this Agreement prior to such Transfer or creation of such Encumbrance, and shall enter into such other documents as may be required for this purpose.
- 6.7. The Parties acknowledge and agree that the covenants and obligations with respect to the Transfer of Securities or the creation of any Encumbrance as set forth above relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations by one Party will cause the other Parties, irreparable injury. Therefore, it is agreed that the Parties shall be entitled to such injunctions, orders or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the others, as the case may be, from committing any violation of the covenants and obligations contained in this Clause 6, or to compel the performance of certain acts. These injunctive remedies are cumulative and are in addition to any other rights and remedies that the Parties may have at law or in equity.

## **7. RIGHT OF FIRST OFFER**

- 7.1. In the event that any of the Shareholders (“**Offering Shareholder**”) desires to sell any or all of its Securities, then such Shareholder shall be required to first offer such Securities (“**RoFO Shares**”) to the Promoter through a notice in writing (“**Promoter Notice**”).
- 7.2. The Promoter shall have the right, exercisable at his sole discretion, to make an offer to purchase, all (but not part) of the RoFO Shares offered, by serving a notice in writing (“**Offer Notice**”) to the Offering Shareholder stating the price and such other terms (“**Offer Terms**”) on which it proposes to purchase the RoFO Shares (“**Right of First Offer**”), within 15 (Fifteen) Business Days of the date of the Promoter Notice.
- 7.3. The Offering Shareholder shall in respect of the Offer Notice received by it, have the right, exercisable at its sole discretion, to either accept or reject the Offer Notice, by serving upon the Promoter a written notice in that regard within 7 (Seven) Business Days of the date of the Offer Notice (“**RoFO Notice**”).

- 7.4. Upon acceptance of an Offer Notice by the Offering Shareholder, the Promoter shall pay the Offering Shareholder the consideration for all the RoFO Shares as indicated in its Offer Notice within 15 (Fifteen) Business Days of such acceptance, and subject to the necessary Consents, the Offering Shareholder shall in the manner required under Applicable Law, Transfer the RoFO Shares to the Promoter on the same Business Day of receipt of such payment.
- 7.5. If the Promoter does not exercise his Right of First Offer with respect to all the RoFO Shares as mentioned above, or if the Offering Shareholder rejects the Offer Notice (“**RoFO Rejection**”), then subject to Clause 6.5, Clause 6.6, Clause 8, and Clause 9, the Offering Shareholder shall have the right, but not the obligation, to Transfer all (but not less than all) of the RoFO Shares to any other buyer at a price higher than the price (if any) offered by the Promoter, provided, however, that, in case the Offering Shareholder is a Specified Investor, such Transfer shall not be subject to Clause 8 below.

## **8. RIGHT OF FIRST REFUSAL**

- 8.1. Following a RoFO Rejection by the Promoter, if the Offering Shareholder (other than the Specified Investors) proposes to Transfer the RoFO Shares to any Person, the Offering Shareholder shall first offer the RoFO Shares (the “**RoFR Shares**”) to each of the other continuing Shareholders (each a “**RoFR Party**”) *pro rata* to each RoFR Party’s relative shareholding percentage of the Company’s issued and paid-up share capital on a Fully Diluted Basis at such point in time, and each RoFR Party shall have the right, but not the obligation, to purchase the RoFR Shares from the Offering Shareholder in the manner provided below.
- 8.2. Within 5 (Five) Business Days of the RoFO Rejection, the Offering Shareholder shall send a written notice (the “**Sale Notice**”) to the RoFR Parties setting forth in detail the terms of the proposed sale, including the identity of the purchaser(s) to whom the proposed sale is to be made (the “**Purchaser**”), the price per RoFR Share which must be higher than the price (if any) offered by the Promoter (the “**Sale Price**”), date of the proposed sale (which shall not be less than 30 (Thirty) Business Days from the date of receipt of Sale Notice by the RoFR Parties), the number of RoFR Shares (which must be equal to the number of RoFO Shares initially offered to the Promoter), and any other terms of the proposed sale.
- 8.3. Upon receipt of the Sale Notice, each RoFR Party shall have the right, exercisable at its sole discretion, to purchase, either by itself or through an Affiliate, up to such portion of RoFR Shares that is *pro rata* to its shareholding in the Company on a Fully Diluted Basis (the “**Minimum Entitlement**”), at the Sale Price and on the terms and conditions set forth in the Sale Notice, by serving upon the Offering Shareholder a written notice in that regard within 15 (Fifteen) Business Days (the “**Response Notice**”) of the date of the Sale Notice (the “**Right of First Refusal**”). Provided, however, if a RoFR Party does not exercise or does not exercise in full its Right of First Refusal and does not purchase all of its Minimum Entitlement in accordance with this Clause 8.3 (such RoFR Party being the “**Refusing Shareholder**”), then such other RoFR Parties who have exercised their Right of First Refusal up to their Minimum Entitlement shall have the right to purchase the remaining portion of the Refusing Shareholder’s

Minimum Entitlement *pro rata* to their then existing relative shareholding in the Company on a Fully Diluted Basis.

- 8.4. In case of a refusal or non-exercise or part-exercise by the Refusing Shareholder to acquire the RoFR Shares up to its Minimum Entitlement, the Offering Shareholder shall issue a written notice to the other RoFR Parties who have exercised the Right of First Refusal up to their Minimum Entitlement, within 3 (Three) Business Days of the date of expiration of the period for serving the Response Notice. In case any such RoFR Party intends to purchase additional RoFR Shares, it shall confirm, through a written notice within 7 (Seven) Business Days thereafter, the extent of the remaining portion of the Refusing Shareholder's Minimum Entitlement up to their pro rata entitlement which it wishes to purchase.
- 8.5. If any RoFR Party exercises its Right of First Refusal as mentioned above, such RoFR Party shall pay the Offering Shareholder the consideration for such RoFR Shares arrived at based on the Sale Price within 15 (Fifteen) Business Days of such exercise and subject to the necessary regulatory consents, the Offering Shareholder shall in the manner required under Applicable Law, Transfer the RoFR Shares to such RoFR Party on the same Business Day.
- 8.6. If the RoFR Parties do not exercise their Right of First Refusal with respect to all of the RoFR Shares as mentioned above, then subject to the RoFR Parties' Tag Along Right as per Clause 9, the Offering Shareholder may Transfer the remaining RoFR Shares to the Purchaser at a price which is not less than the Sale Price and on terms that are not more favorable than the terms on which the RoFR Shares were offered to the RoFR Parties.

## **9. TAG ALONG RIGHT**

- 9.1. Without prejudice to Clause 7 and Clause 8 above, any Offering Shareholder proposing to Transfer its Securities (such Securities being the "**Offered Shares**") to a third party, shall provide other continuing Shareholders (each a "**Tag Holder**") a tag along right and each of the Tag Holders shall have the right to sell such portion of its Securities ("**Tag Along Shares**") that is proportionate (on a Fully Diluted Basis) to the portion of Offering Shareholders' shareholding percentage proposed to be transferred to the Person(s) to whom the sale is proposed to be made ("**Buyer**") on the terms and conditions as set out in this Clause 9 ("**Tag Along Right**"). By way of illustration, in case of an Offering Shareholder holding 20 (Twenty) Securities in the Company proposes to Transfer 10 (Ten) Securities, i.e. 50% (Fifty percent) of his shareholding to a Buyer, then a Tag Holder shall have the right to tag along and Transfer 50% (Fifty percent) of its Securities to such Buyer.
- 9.2. The Offering Shareholder shall send a written notice ("**Tag Along Notice**") to the Tag Holders setting forth in detail the terms of the proposed sale, including the identity of the Buyer, the number of Securities proposed to be sold, price per Security ("**Offered Price**"), and the date of the proposed sale, which shall not be less than 21 (Twenty One) Business Days from the date of receipt of Tag Along Notice by the Tag Holders.
- 9.3. Upon receipt of the Tag Along Notice, a Tag Holder shall have the option, exercisable at its sole discretion, to sell up to its proportionate shareholding, in the Company (on a Fully Diluted

Basis) to the Buyer, at the Offered Price by serving upon the Offering Shareholder a written notice in that regard within 12 (Twelve) Business Days of receipt of the Tag Along Notice by such Tag Holder (“**Tag Along Period**”).

- 9.4. If a Tag Holder exercises its Tag Along Right as mentioned above, then the Offering Shareholder shall ensure that the Buyer purchases such number of the Tag Along Shares as mentioned in the notice by such Tag Holder along with the Offered Shares mentioned in the Tag Along Notice at the Offered Price and on the terms mentioned in the Tag Along Notice. The Offering Shareholder shall ensure that the Buyer completes the purchase of the Tag Along Shares on the same terms and at the same time as completion of purchase of the Offered Shares held by the Offering Shareholder.
- 9.5. If the Tag Holders do not exercise their Tag Along Right or do not serve a written notice upon the Offering Shareholder within the Tag Along Period, then the Offering Shareholder may Transfer the Offered Shares (such number as mentioned in the Tag Along Notice) to the Buyer at the Offered Price and on the terms mentioned in the Tag Along Notice, provided however, that if such Transfer is not consummated within a period of 60 (Sixty) Business Days from the expiry of the Tag Along Period, then the Transfer by the Offering Shareholder shall be made only after issuing a fresh Sale Notice to the Tag Holders and following the procedure set out in Clause 7, Clause 8 (if applicable), and this Clause 9.
- 9.6. The Transfer under this Clause 9 shall be subject to the necessary consents being obtained. The Parties shall each use their best endeavours to obtain the necessary consents within 21 (Twenty-One) Business Days. In the event the necessary consents cannot be obtained within the period specified, the Parties shall make best efforts and endeavours as may be reasonably necessary to find an alternative solution to give full effect to the intent of this Clause 9.
- 9.7. Without prejudice to the provisions of Clause 9 above, a Shareholder, whether acting alone or together with any other Shareholder(s) acting in concert pursuant to a common plan (the “**Exiting Shareholder(s)**”), shall not Transfer any Securities of the Company to any one Person or group of Persons (“**Exit Transferee(s)**”) through a transaction or a series of transactions if, as a result of such Transfer, the Exit Transferee(s) (acting in concert) would become the beneficial owner of Securities representing 51% (Fifty One percent) or more of the total voting share capital of the Company (on a Fully Diluted Basis) (“**Exit Sale**”), unless the Exit Transferee(s) agrees to simultaneously purchase all (and not less than all) Securities held by the other Shareholders at the same price and on the same terms that were offered to the Exiting Shareholder(s), if such proposal for purchase of Securities from the other Shareholders is approved by a majority of such other Shareholders. In case of an Exit Sale, the rights of the other Shareholders to Transfer all (and not less than all) of their entire Securities to the Exit Transferee(s) along with the Exiting Shareholder(s) shall be exercised in the manner of a tag along right, and the process and timelines for the exercise of Tag Along Right under this Clause 9 shall apply *mutatis mutandis* to such Transfer by the Shareholders.

## 10. **QUALIFIED IPO**



- 10.1. So long as the Promoter holds any Security of the Company, he shall have the right (and shall continue to have such right *ad infinitum*) to call for a Qualified IPO at any time after the Effective Date. Further, as long as Verlinvest Group maintains their aggregate shareholding in the Company at or above the Threshold Limit (on a Fully Diluted Basis), Verlinvest Group shall have the right (and shall continue to have such right *ad infinitum*) to call for a Qualified IPO at any time on or after March 31, 2020. Such right of Promoter and Verlinvest Group shall be exercised by Promoter and/or Verlinvest Group (as the case may be) by notifying the Company and the Shareholders of its decision in writing. Upon such notification in writing by the Promoter or Verlinvest Group (as the case may be), then the Company and Shareholders shall extend any and all reasonable assistance to the Promoter and/or Verlinvest Group (as the case may be) for consummating the Qualified IPO, including voting their Securities in meetings of the Company accordingly, and the Company shall undertake its best efforts to consummate a Qualified IPO. It is hereby clarified that the Promoter and the Verlinvest Group shall have the right to call for a Qualified IPO more than once, in case a Qualified IPO was not consummated by the Company upon the Promoter or Verlinvest Group (as the case may be) calling for it in the previous occasion.
- 10.2. The Qualified IPO shall, at the option of Verlinvest Group, also comprise of an Offer for Sale of existing Equity Shares, along with a fresh issue of Equity Shares, and in case the Qualified IPO includes an Offer for Sale, then the Investors and the Other Principal Shareholders shall be entitled, but not obligated, to convert all their Securities into Equity Shares and offer for sale all or part of their Equity Shares held by them as a part of the offer. In the event that the appointed merchant bankers advise that the size of the Offer for Sale would not permit sale of all the Equity Shares proposed to be offered for sale by the Investors, then Investors and the Other Principal Shareholders shall participate in the offer for sale (the size as advised by the merchant bankers), in a *pro rata* manner to their respective *inter se* shareholding (on a Fully Diluted Basis).
- 10.3. In the event an Initial Public Offering is proposed (whether by way of a fresh issue of Equity Shares, an Offer for Sale, a combination of the aforesaid or in any other manner as per Applicable Law), the Company shall: (i) subject to Applicable Law, ensure that all the Securities of Investors will be freely marketable and tradable immediately following such Initial Public Offering; and (ii) keep each of the Investors fully informed of all material activities undertaken in connection with such Initial Public Offering.
- 10.4. Subject to Applicable Law, the Company and the Shareholders shall ensure that (i) none of the Investors are classified as ‘promoter’ of the Company under Applicable Laws, including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for any purpose whatsoever, including but not limited to the purposes of an Initial Public Offering and the Promoter continue to remain the sole promoter of the Company and (ii) none of the Securities held by any of the Investors shall be subject to any statutory or regulatory moratorium or ‘lock-in’ imposed upon promoters in connection with any Initial Public Offering, and no declaration or statement shall be made that may result in any of them being deemed a ‘promoter’ of the Company, either directly or indirectly, in filings with any Governmental Authority (including without limitation, the Securities and Exchange Board of India), in any offer documents or otherwise. Subject to Applicable Law, the Promoter and the

other Management Shareholders shall, for the purposes of an Initial Public Offering, provide the necessary quantum of shareholding in the Company to meet the requirement of “minimum promoters' contribution” under Applicable Law relating to an Initial Public Offering of Equity Shares of an Indian company.

- 10.5. Each Party agrees and undertakes to extend its full co-operation towards the other Party and to the benefit of the Company and shall use its best endeavours to do all that may be required to be done, including but not limited to executing necessary and relevant documents and agreements, providing all necessary data and information to the Company, to do all necessary acts and deeds, subject to and in compliance with Applicable Laws, towards the success of the Qualified IPO. All costs and expenses for undertaking an Initial Public Offering shall be borne by the Company.
- 10.6. Without prejudice to the above, from the Effective Date, the Parties shall undertake all reasonable steps to get the Company ready for a Qualified IPO by the end of March 2020, including preparation of the necessary financial reportings, hiring of external consultants to recommend improvement in business and operational processes and efficiencies, etc.
- 10.7. The right of Verlinvest Group to Transfer its Securities to a Competitor shall not be available in case all of the merchant bankers to such Initial Public Offering appointed by the Company, whose appointment shall be consented to in writing by the Promoter and the Verlinvest Group, opine that the Initial Public Offering of the Equity Shares of the Company cannot be undertaken at such point in time, due to market conditions, company performance, investor interest or such other reasonable reasons, provided, however, that such right of Verlinvest Group under Clause 6.5 to Transfer its Securities to a Competitor is reset (i.e., made available again) upon Verlinvest Group calling for a Qualified IPO again at a later date and such Qualified IPO not being consummated within 365 (Three Hundred Sixty Five) calendar days following such renewed call.
- 10.8. In case such merchant bankers opine that the Initial Public Offering of Equity Shares of the Company could be consummated at a price per Equity Share that is lower than INR 300, then the Promoter and Verlinvest Group shall jointly discuss and agree if the Company should proceed with such Initial Public Offering (such Initial Public Offering being “**Lower Priced IPO**”). It is clarified that a Lower Priced IPO shall be undertaken by the Company only if both the Promoter and the Verlinvest Group agree to the same. Notwithstanding the above, in case the Verlinvest Group is agreeable to such Lower Priced IPO and if such Lower Priced IPO is not consummated within 365 (Three Hundred Sixty Five) calendar days from Verlinvest Group calling for a Qualified IPO under Clause 10.1 above, then the Verlinvest Group shall have the right to Transfer its Securities to a Competitor, notwithstanding the restriction under Clause 6.5 above, but subject to the provisions of Clause 7 and Clause 9. For the purposes of this Clause 10, a Lower Priced IPO shall be deemed to be a Qualified IPO.

## **11. BOARD MATTERS AND COMPOSITION**

- 11.1. For as long as the Management Shareholders' aggregate shareholding in the Company on a Fully Diluted Basis is 15% (Fifteen percent), the maximum number of Board Directors Board

shall be 8 (Eight) Directors and if the Management Shareholders' aggregate shareholding in the Company on a Fully Diluted Basis falls below 15% (Fifteen percent), then the maximum number of Board Directors shall be reduced to 7 (Seven) Directors. The Board of the Company shall be constituted in the below manner.

- (i) So long as the Management Shareholders in the aggregate hold (a) at least 15% (Fifteen percent) of share capital in the Company on a Fully Diluted Basis, then the Promoter shall have the right to appoint 4 (Four) Directors and (b) less than 15% (Fifteen percent) of share capital in the Company on a Fully Diluted Basis, then the Promoter shall have the right to appoint 3 (Three) Directors;
  - (ii) So long as the Verlinvest Group in the aggregate holds (a) at least 40% (Forty percent) of share capital in the Company on a Fully Diluted Basis, it shall have the right to appoint 3 (Three) Directors, provided, however, that 2 (Two) of the 3 (Three) Directors appointed by the Verlinvest Group shall, subject to the consent of such Directors and Applicable Laws, be Mr. Nicholas Cator and Mr. Deepak Shahdadpuri for a period of 2 (Two) years from the Effective Date; (b) at least 20% (Twenty percent) but less than 40% (Forty percent) of share capital in the Company on a Fully Diluted Basis, it shall have the right to appoint 2 (Two) Directors, and (c) at least 7.5% (Seven and Five Tenths percent) but less than 20% (Twenty percent) of share capital in the Company on a Fully Diluted Basis, it shall have the right to appoint 1 (One) Director (such Directors appointed by Verlinvest Group being the "**Verlinvest Directors**"),
  - (iii) Verlinvest Group and the Promoter shall upon mutual discussion and agreement, jointly appoint 1 (One) Director.
- 11.2. Upon the consummation of an Initial Public Offering by the Company, Verlinvest Group shall have the right to appoint and retain 2 (Two) Verlinvest Directors on the Board so long as the Verlinvest Group in the aggregate holds at least 20% (Twenty percent) of share capital in the Company on a Fully Diluted Basis and 1 (One) Verlinvest Director on the Board so long as the Verlinvest Group in the aggregate holds at least 15% (Fifteen percent) of share capital in the Company on a Fully Diluted Basis. The Parties shall take all necessary steps (including, but not limited to, voting their Securities in the requisite manner) to ensure the enforcement of this clause.
- 11.3. As long as the Promoter maintains his shareholding in the Company at or above the Threshold Limit (on a Fully Diluted Basis), the Promoter shall have the right to appoint one of its nominated Directors as the chairman of the Board. Such chairman of the Board shall have a casting vote in Board meetings in case of a tie, so long as the Management Shareholders in the aggregate hold more than 15% (Fifteen percent) of share capital in the Company on a Fully Diluted Basis. For the avoidance of doubt, it is clarified that in case the size of the Board reduces to 7 Directors and the Promoter continues to have the right to appoint a chairman due to his maintaining shareholding in the Company at or above the Threshold Limit (on a Fully Diluted Basis), neither the chairman, nor any other Director shall have a casting vote.
- 11.4. The Verlinvest Group and the Promoter shall upon mutual discussion jointly appoint the chief executive officer ("**CEO**") of the Company and such appointment shall require the affirmative

vote of both Verlinvest Group and the Promoter, provided, however, such affirmative vote from Verlinvest Group shall not be required in case the Promoter is being appointed as the CEO.

- 11.5. Written consents from the Verlinvest Group as well as the Promoter shall be required for hiring/appointing a CXO level employee of the Company (i.e. an employee who directly reports to the CEO or the Board).
- 11.6. The Company shall terminate the employment of the CEO (except if the CEO is the Promoter) or CXO level employee of the Company, upon receiving a written notice instructing the same from either the Verlinvest Group or the Promoter and the Parties shall undertake to do all reasonable acts in support of such action by the Verlinvest Group or the Promoter.
- 11.7. The Verlinvest Directors shall be entitled to be member of all committees of the Board and the boards and board committees of the subsidiaries of the Company, as may now exist or as may be constituted in the future, including but not limited to the audit and remuneration committee, and shall be entitled to participate and vote at all meetings of such committees of the Board as a member. Without prejudice to the above, the constitution of the committees of the Board shall be mutually decided between Verlinvest Group, Promoter, and the Board.
- 11.8. In addition, as long as Verlinvest Group maintains their aggregate shareholding in the Company at or above the Threshold Limit (on a Fully Diluted Basis), Verlinvest Group shall have the right to appoint one observer (“**Observer**”) to attend all meetings of Board and its committees, who shall be entitled to attend all meetings of the Board and any of its committees, and shall be given all relevant information as is provided to the members of the Board or its committees including appropriate notice for such meeting, but such Observer shall not be entitled to participate in discussions or vote at such meetings.
- 11.9. The right of nomination of Directors conferred on Verlinvest Group and the Promoter shall include the right at any time to remove from office any such individuals nominated or appointed by them, to appoint another individual as Director in place of such individual being removed, and from time to time determine the period for which such individuals shall hold office as Director. If Verlinvest Group or the Promoter (as the case may be) desire that any of the Directors nominated by them respectively should cease to be a Director, the Parties shall exercise their voting rights in relation to the Securities held by them in such manner so as to ensure such removal and the appointment of such other individual as may be nominated by the Party entitled to nominate as aforesaid.
- 11.10. The Directors shall not be liable to retire by rotation. However, in the event any Director appointed by a Party becomes liable to retire by rotation, the Parties to this Agreement shall vote in favour of the appointment of such other nominee of such Party as Director to replace the Director retiring by rotation as aforesaid.
- 11.11. All Directors and the Observers shall be entitled to receive all notices, agenda, etc. and to attend all Board meetings and meetings of any committees of the Board of which such Directors or Observers are members or observers, as the case may be.

- 11.12. The Board may appoint an alternate director in accordance with the Act (“**Alternate Director**”) to act for a Director (the “**Original Director**”) during his/her absence. The Party nominating the Original Director shall have a right to nominate any other person to be the Alternate Director in place of the Original Director. The Shareholders shall ensure that the Board appoints only such persons to be Alternate Directors as are recommended by the Party, which nominated such Original Director. For the avoidance of doubt, it is hereby clarified that an Alternate Director shall have the right to participate, vote, and perform the other functions of the Original Director for which he has been appointed as Alternate Director only in his absence.
- 11.13. The Party which has nominated a Director on the Board shall each have a right to fill in any casual vacancy caused in the office of the Directors nominated by them, by reason of his/her resignation, death, removal or otherwise. All nominations made by such Party shall be in writing and shall take effect on its receipt at the registered office of the Company.
- 11.14. A quorum for a Board meeting shall be 3 (Three) Directors, including at least 1 (One) Director appointed by the Promoter and 1 (One) Verlinvest Director, other than (i.e., apart from) Mr. Deepak Shahdadpuri, being present, whether in person or through an Alternate Director appointed in accordance with this Agreement, at the beginning of, and throughout, the relevant Board meeting. If a quorum as aforesaid is not present, the Board meeting shall be adjourned to the same time and place 7 (Seven) calendar days hence and the quorum for such adjourned meeting may be formed in compliance with the Act (even if any Director nominated by the Promoter and/or Verlinvest Director is not present at such meeting), provided, however, that no Reserved Matter shall be transacted other than in compliance with Clause 12 below. Notwithstanding anything contained herein, the quorum for a meeting of the Board which involves business relating to any of the Reserved Matters, shall also require presence of each of the Verlinvest Directors, whether present in person or through an Alternate Director appointed in accordance with this Agreement, at the beginning of, and throughout, the relevant Board meeting. The presence of the Verlinvest Directors to form the quorum at a Board meeting which involves business relating to any of the Reserved Matters can be waived in writing by Verlinvest Group, provided that in such a situation, (i) Verlinvest Group shall have indicated in writing their specific response to the Reserved Matter proposed to be discussed in the relevant meeting and (ii) no item other than those circulated in the agenda for such Board meeting shall be discussed or voted upon.
- 11.15. The Parties shall ensure that no meeting of the Board is held unless at least 7 (Seven) calendar days' written notice is given, and such notice shall include the detailed agenda and all materials to be discussed at the meeting. Provided however, a meeting may be called at a shorter written notice if the majority of the Directors on the Board, including at least a Verlinvest Director, accord their consent thereto.
- 11.16. No resolution shall be deemed to have been duly passed by the Board by circulation, unless (i) the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors and Alternate Directors, if any, and has been approved in writing by them or by a majority (including a Verlinvest Director, other than Mr. Deepak Shahdadpuri) and such of them as are entitled to vote on the resolution; and (ii) such other requirements under Applicable Laws are adhered to.



11.17. The Parties hereby agree that the Company shall be liable to pay:

- (i) a sitting fee of INR 100,000 (Indian Rupees One Hundred Thousand only) (per meeting) each to all those Directors and Observers, other than the Promoter, attending a meeting of the Board in person.
- (ii) an amount of USD 500 (United States Dollars Five Hundred only) (per meeting) each to all those Directors and Observers, other than the Promoter, attending a meeting of the Board remotely over Video Conference / telecom, whether or not given a leave of absence.

Provided that a sitting fee of INR 100,000 (Indian Rupees One Hundred Thousand only) (per meeting) each to all those Directors and Observers, other than the Promoter, attending a meeting of the Board remotely over Video Conference / telecom from India.

Notwithstanding anything to the contrary, the provisions of this Clause 11 relating to the Board shall apply *mutatis mutandis* to any committees of the Board.

## **12. RESERVED MATTERS**

12.1. The Parties hereby agree that a Super Majority Resolution shall be required in a meeting of the Board (or any committee thereof) in respect of any of the following matters (“**Reserved Matters**”).

- (i) Allot, issue, redeem, vary or repurchase or agree to allot, issue, redeem, vary or repurchase of the Securities (or option or right to subscribe for the same) including without limitation the terms, timing and final pricing of any Initial Public Offering, or follow on offering or any offer for sale;
- (ii) Any alteration of, amendment to, or waiver of any provision in the Charter Documents or memorandum and articles of association of the subsidiaries of the Company;
- (iii) Change of business or the diversification of the Business of the Company or its subsidiaries, including undertaking any new activity, or any expansion of the Business in a new territory outside India (excluding export of grape based alcoholic beverages under the 'Sula' brand or any other brand owned or used by the Company to any new territory);
- (iv) Any reduction in the authorized share capital of the Company or its subsidiaries either by lowering the par value of Securities or by decreasing the number of shares issued, any subdivision or amalgamation of the authorized or issued share capital of the Company or its subsidiaries or of any rights or privileges attached to any shares or class of shares of the Company or its subsidiaries;
- (v) Any increase or decrease in the number of directors on the Board of the Company or its subsidiaries;

- (vi) Any proposal for:
  - (a) creation of any subsidiary, joint venture, associated company or similar arrangements by the Company or its subsidiaries with any Person or business; or the reconstruction, consolidation or reorganization of the Company or its subsidiaries; or
  - (b) the amalgamation or merger of the Company or its subsidiaries with any other Person; or
  - (c) the winding up or dissolution of the Company or its subsidiaries;
- (vii) Any payment of dividends or other distribution by the Company or its subsidiaries otherwise than in accordance with the Dividend Policy;
- (viii) Any change in the name of the Company or its subsidiaries;
- (ix) Create or adopt any new or additional equity option plan by the Company including the plan contemplated within the Option Threshold or its subsidiaries;
- (x) The acquisition by way of investment or purchase by the Company or its subsidiaries of any share capital or other securities of any company or body corporate;
- (xi) The Company or its subsidiaries making any advance or loan or providing any credit to any person, except in the ordinary course of business;
- (xii) The Company or its subsidiaries giving any guarantee, indemnity or security, or creating any Encumbrance over its assets in respect of the obligations of any Person;
- (xiv) The Company or its subsidiaries entering into any arrangement with its creditors and the moving for insolvency, receivership or bankruptcy;
- (xv) Change/appointment of auditors of the Company or its subsidiaries;
- (xvi) Any change in the fiscal year for preparation of audited accounts of the Company or its subsidiaries;
- (xvii) Entering into related party transactions, and/or agreements or arrangements by the Company or its subsidiaries with their Affiliates or the Management Shareholders or Other Principal Shareholders;
- (xviii) Adoption or alteration of annual budget or such similar policy of the Company or its subsidiaries or alteration of the Dividend Policy;
- (xix) Revision of the salaries or compensation paid to the CEO, CXO level employees, and directors of the Company or any of its subsidiaries;

- (xxi) Incurring capital expenditure, including relating to constructions and leases, and indebtedness in excess of the levels agreed upon in the annual budgets of the Company or its subsidiaries;
  - (xxiii) Changes to material accounting or tax policies or practices other than those required by Applicable Law;
  - (xxiv) Sale of any significant assets of the Company if the written down value exceeds INR 5,000,000 (Indian Rupees Five Million only);
  - (xxv) Any strategic decision to be taken by the Company with respect to any joint venture company that the Company forms a part of, including, (a) material amendment or variation of any rights available to the Company under the joint venture agreement such as extension of that joint venture agreement or of any time period or milestone set out in that joint venture agreement that is not in the ordinary course of business; (b) exercise of a material right under the joint venture agreement; (c) sale of shares of the joint venture company; (d) sale of significant assets of the joint venture company if the written down value of such assets exceeds INR 100,000,000 (Indian Rupees One Hundred Million only); (e) termination of an agreement with a joint venture partner by the Company; (f) sale of the brand name, intellectual property rights of such joint venture company. It is hereby clarified that day to day management and operational decisions at the joint venture level will not require Super Majority Resolution at the meeting of the Board; and
  - (xxvi) Any commitment or agreement to do any of the foregoing.
- 12.2. It is hereby clarified that none of the above Reserved Matters shall be taken up for consideration at a general meeting of the Shareholders without it being first approved at a Board meeting through a Super Majority Resolution.

### **13. INFORMATION RIGHTS:**

- 13.1. The Company shall deliver to each of the Investors the following documents in relation to itself and its Affiliates.
- (i) Audited annual financial statements within 120 (One Hundred Twenty) calendar days of the end of each Financial Year;
  - (ii) Unaudited quarterly financial statements within 60 (Sixty) calendar days of the end of each fiscal quarter;
  - (iii) Annual budget within 30 (Thirty) calendar days prior to the end of each Financial Year;
  - (iv) Management reports within 30 (Thirty) calendar days of the end of each month;
  - (v) Copies of any reports, statements or information filed with any Governmental Authority;

- (vi) Unaudited monthly sales statements within 30 (Thirty) calendar days of the end of each month; and
  - (vii) Such other information as may be reasonably requested by an Investor from time to time within 30 (Thirty) calendar days from such request, excluding any material requested by an Investor in relation to the previous quarter, which material shall be provided within 45 (Forty Five) calendar days from the date of request.
- 13.2. The Company shall from calendar year 2018 onwards, provide audited accounts (following a limited audit) as on December 31st of every year to the Verlinvest Group within 75 (Seventy Five) calendar days after the end of each calendar year. It is hereby clarified that the costs associated with such accounts shall be borne by the Company.
- 13.3. It is herein clarified that all financial statements will be prepared under the applicable accounting standards. All management reports will include a comparison of financial results with the corresponding quarterly and annual budgets.
- 13.4. The Verlinvest Directors shall have access to all information available to any other Directors.
- 13.5. The Investors and their duly authorized officers, employees, accountants and attorneys shall have the right, at any time, and from time to time during normal business hours and upon reasonable notice, to inspect and take copies of the books, records and other documents of the Company and its subsidiaries and to consult with the officers, employees, accountants, and attorneys of the Company for the purpose of affording the Investors full opportunity to make such investigation as it shall desire. The Investors may conduct an audit of the business of the Company at its own cost. Such investigations and/or audit, however, shall not affect the representations and warranties made by the Company and/or the Promoter under Clause 14 and Schedule IV to this Agreement.

#### **14. REPRESENTATIONS AND WARRANTIES**

- 14.1. The Company hereby represents and warrants to the Investors that:
- (i) The Company is duly incorporated under the laws of India and the Company has at all times only been resident in India for Tax purposes and is not and has not at any time been treated as resident in any other jurisdiction for any Tax purpose (including any double taxation arrangement);
  - (ii) The Company has the power and authority to execute and deliver this Agreement. The execution and delivery of this Agreement has been duly authorized and approved and does not require any further authorization or consent of any third party;
  - (iii) Upon execution, this Agreement shall be a legal, valid, and binding obligation of the Company, enforceable in accordance with its terms; and

- (iv) The execution and delivery of this Agreement by the Company, and its promises, agreements or undertakings under this Agreement do not or shall not violate any Applicable Laws or violate or contravene the provisions of or constitute a default under any documents, contracts, agreements or any other instruments to which it is a party or which are applicable to it.

14.2. Each of the Investors hereby represents and warrants that:

- (i) it has the power and authority to execute and deliver this Agreement. The execution and delivery of this Agreement has been duly authorized and approved and does not require any further authorization or consent of any third party;
- (ii) upon execution, this Agreement shall be a legal, valid, and binding obligation of such Investor, enforceable in accordance with its terms; and
- (iii) the execution and delivery of this Agreement by it, and its promises, agreements or undertakings under this Agreement do not or shall not violate any Applicable Laws or violate or contravene the provisions of or constitute a default under any documents, contracts, agreements or any other instruments to which it is a party or which are applicable to it.

14.3. Each of the Management Shareholders and Other Principal Shareholders hereby severally represent and warrant to the Investors that:

- (i) he / she is legally entitled under the laws of India to execute this Agreement, and this Agreement once executed shall be a legal, valid, and binding obligation of such Shareholder; and
- (ii) the execution and delivery of this Agreement by such Shareholder, and promises, agreements or undertakings of such Shareholder under this Agreement do not or shall not violate any law, rule, regulation or order applicable to him/her or violate or contravene the provisions of or constitute a default under any documents, contracts, agreements or any other instruments to which such Shareholder is a party or which are applicable to such Shareholder.

14.4. Subject to the disclosures made in Schedule V (*Disclosure Schedule*), the Promoter hereby makes the representations and warranties to the Verlinvest Group as set out in Schedule IV hereof and acknowledge that the entities in the Verlinvest Group have subscribed to or purchased the Equity Shares of the Company, except and excluding the 382,907 (Three Hundred Eighty Two Thousand Nine Hundred Seven) Equity Shares purchased by Verlinvest Asia from GIA and 122,500 (One Hundred Twenty Two Thousand Five Hundred) Equity Shares each purchased by Cofintra and Verlinvest SA from Haystack, *inter alia*, relying upon these representations and warranties. Each representation and warranty is to be construed independently of the others and is not limited by reference to any other representation and warranty.

14.5. Subject to the disclosures made in Schedule V (*Disclosure Schedule*), the Company hereby make the representations and warranties to the Verlinvest Group as set out in Schedule IV hereof and acknowledge that the Verlinvest Group have subscribed to or purchased the Equity Shares of the Company, except and excluding the 382,907 (Three Hundred Eighty Two

Thousand Nine Hundred Seven) Equity Shares purchased by Verlinvest Asia from GIA and 122,500 (One Hundred Twenty Two Thousand Five Hundred) Equity Shares each purchased by Cofintra and Verlinvest SA from Haystack, *inter alia*, relying upon these representations and warranties. Each representation and warranty is to be construed independently of the others and is not limited by reference to any other representation and warranty.

- 14.6. Any representation and warranty herein or in any such certificate or writing shall be deemed to be material and to have been relied upon by the Verlinvest Group, notwithstanding any investigation, due diligence review or inspection made by or on behalf the Verlinvest Group and shall not be affected in any respect by any such investigation, due diligence review or inspection.
- 14.7. All representations and warranties shall, except in cases where a representation or a warranty is made as of a particular date specified therein, will be deemed to be made as of the Effective Date and the enforcement of an indemnity under Clause 15 in respect of a breach of any such representation and warranty shall survive till such time as this Agreement and the indemnity under Clause 15 are in force.

## **15. INDEMNIFICATION**

- 15.1. Without prejudice to any other right available to any Party in law or under equity, each Party (“**Indemnifying Party**”) shall be liable to compensate and indemnify, defend and hold harmless, the other Parties (“**Indemnified Party**”) such Indemnified Party’s directors, officers, and employees, from and against any and all losses, liabilities, damages, deficiencies, demands, claims, actions, judgements or causes of action, assessments, interest, penalties and other costs or expenses (including, without limitation, reasonable attorneys' fees and expenses) (the “**Losses**”) based upon, arising out of, or in relation to or otherwise in respect of any inaccuracy in or any breach of any representation and warranty, covenant or agreement of the Indemnifying Party under this Agreement.
- 15.2. Any compensation or indemnity as referred to in Clause 15.1 above shall be such as to place the Indemnified Party, in the same position as it would have been in, had there not been any such breach and as if the representation and warranty on the breach of which the Indemnified Party, is to be indemnified, had been correct.
- 15.3. The rights and remedies of the Indemnified Party in respect of any breach of any of the representations and warranties shall not be affected by any act or happening which otherwise might have affected such rights and remedies, except by a specific written waiver by the Indemnified Party.
- 15.4. Notwithstanding anything contained herein, the Verlinvest Group shall not assume in any manner, any Losses, responsibility or liability whatsoever relating to the period prior to October 28, 2010 in respect of the business of the Company and its operations or activities, to any Person and any Governmental Authority, including those arising from any non-compliance of any Applicable Laws relating to the period, prior to October 28, 2010; and the Company and the Promoter shall indemnify and keep indemnified and hold the Verlinvest Group free and

harmless from and against any and all Losses which Verlinvest Group may then or at any time thereafter pay, incur, suffer or sustain directly or indirectly in connection therewith.

- 15.5. The Parties hereby agree that the aggregate liability of the Promoter to indemnify Verlinvest Group as contained in this Clause 15 (with respect to breach of its representations and warranties in Schedule IV) shall remain in full force until the consummation of the Qualified IPO and shall be subject to a maximum limit of the Rupee equivalent of USD 12,000,000 (United States Dollars Twelve Million only).
- 15.6. The Parties hereby agree that the aggregate liability of the Company to indemnify the Verlinvest Group under this Clause 15 (with respect to breach of its representations and warranties in Schedule IV) shall remain in full force until the consummation of the Qualified IPO and shall be subject to a maximum limit of the Rupee equivalent of USD 10,000,000 (United States Dollars Ten Million only) (“**Aggregate Indemnification Amount**”).
- 15.7. Notwithstanding the provisions contained herein to the contrary, an Indemnifying Party shall not have any liability or obligation to an Indemnified Party and no claim shall be asserted against an Indemnifying Party for any Losses unless the amount of the Loss incurred by such Indemnified Party (per claim) is at least an amount of INR 2,500,000 (Indian Rupees Two Million Five Hundred Thousand only). It is hereby clarified that if claim is equal to or more than INR 2,500,000 (Indian Rupees Two Million Five Hundred Thousand only), then the Indemnifying Party shall be liable to indemnify the Indemnified Party (and its directors, officers and employees) in respect of the entire amount of such claim and not only the amount in excess of INR 2,500,000 (Indian Rupees Two Million Five Hundred Thousand only).

## **16. MOST FAVOURED NATION**

No new Shareholder shall be offered rights that are better than the rights of Verlinvest Group under this Agreement without the prior written permission of Verlinvest Group.

## **17. PROMOTER RIGHTS AND COMPENSATION**

- 17.1. So long as any of the Management Shareholders are holding any Securities in the Company, then regardless of the shareholding of Verlinvest Group or any other Shareholder, the Promoter shall be the sole promoter of the Company for all purposes under Applicable Laws, including the Companies Act, 2013 and the regulations issued by the Securities and Exchange Board of India. Unless required by Applicable Laws, at no point shall any of the Verlinvest Group entities be made a promoter and the Parties shall undertake to do all reasonable acts to ensure that entity(ies) under Verlinvest Group is not classified as a promoter of the Company.
- 17.2. The Promoter and the Company shall enter into the Promoter Incentive Agreement as on the Effective Date which shall provide for the compensation and other incentives (as agreed between Company, Promoter, and the Verlinvest Group) that would be offered to the Promoter by the Company.

## **18. CONDUCT OF BUSINESS AND NON-COMPETITION**

- 18.1. The Company, directly or through any subsidiaries and/or joint ventures, shall be the sole, exclusive and only vehicle of the Management Shareholders for the purposes of conducting the Business. The purpose of the Company has been and shall remain to undertake and engage in the Business, or as may be determined by the Board from time to time, and such other activities, incidental thereto or otherwise, as may be desirable and proper in furtherance thereof, subject to Applicable Law.
- 18.2. The Business shall be conducted in the best interests of the Company, its subsidiaries and joint ventures, in accordance with sound commercial principles with the aim of generating the maximum achievable maintainable profit available for distribution. The Parties agree and acknowledge that any business relationship or agreements or arrangements or contracts (including investment or loan arrangements with related parties or formation of subsidiaries or group company or affiliates, etc.) to be entered into between the Company and its Shareholders or their respective Affiliates, shall be entered into in good faith on an arm's length basis. If the Board is of the view that any such business relationship or agreements or arrangements or contracts are not on prevailing market rates, the Company shall take such steps as may be required in terms of Applicable Law and as may be directed by the Board through a Super Majority Resolution.
- 18.3. So long as the Verlinvest Group maintains its aggregate shareholding at or above the Threshold Limit, the Management Shareholders and the Other Principal Shareholders shall not, and shall cause their Affiliates not to, carry on or engage in, whether through partnership or as a shareholder, joint venture partner, or collaborator, consultant or agent or in any other manner whatsoever, for profit, any business in India, which competes directly with the Business save and except the business of growing grapes for the Company, provided, however, that nothing contained in this Clause 18.3 shall be applicable to Ms. Cecilia Oldne, Ms Daisy Damskey, Mr. Manoj Rawat, Mr. Monit Dhavale, Mr. Nana Madhav Shelke, Mr. Neil Fernandes, Mr. Gorakh Gaikwad, Mr. Chaitanya Rathi, and Mr. Kerry Damskey
- 18.4. From the Effective Date and until the completion of a period of 1 (One) year after a Management Shareholder or Other Principal Shareholder ceasing to directly or indirectly, hold legally and/or beneficially any Securities of the Company, (i) such Management Shareholder or the Other Principal Shareholder shall not, carry on or engage in, whether through partnership or as a shareholder, joint venture partner, for profit, any business in India, which competes directly with the Business, save and except for the business of growing grapes for the Company, provided, however, that nothing contained in this Clause 18.4(i) shall be applicable to Ms. Cecilia Oldne, Ms Daisy Damskey, Mr. Manoj Rawat, Mr. Monit Dhavale, Mr. Nana Madhav Shelke, Mr. Neil Fernandes, Mr. Gorakh Gaikwad, Mr. Chaitanya Rathi, and Mr. Kerry Damskey; and (ii) such Management Shareholder or the Other Principal Shareholder shall not, directly or indirectly, attempt in any manner to (a) solicit from any client/customer in India, except on behalf of the Company, business of the type carried on by the Company or to persuade any person, firm or entity which is a client/customer of the Company in India to cease doing business or to reduce the amount of business which any such client/customer has customarily



done or might propose doing with the Company whether or not the relationship between the Company and such client/customer was originally established in whole or in part through their efforts; and/or (b) employ or attempt to employ or assist anyone else to employ, in India, any person who is in the employment of the Company.

- 18.5. So long as any of the Management Shareholders and/or Other Principal Shareholders directly or indirectly hold legally and/or beneficially any Securities of the Company, a Management Shareholder or an Other Principal Shareholder shall not, directly or indirectly, attempt in any manner to (a) solicit from any client/customer in India, except on behalf of the Company, business of the type carried on by the Company or to persuade any person, firm or entity which is a client/customer of the Company in India to cease doing business or to reduce the amount of business which any such client/customer has customarily done or might propose doing with the Company whether or not the relationship between the Company and such client/customer was originally established in whole or in part through their efforts; and/or (b) employ or attempt to employ or assist anyone else to employ, in India, any person who is in the employment of the Company.
- 18.6. It is hereby acknowledged and agreed by the Parties that the Promoter Controls the management and day-to-day affairs and operations of the Company. So long as the Promoter continues to Control the management and day-to-day affairs and operations of the Company, the Promoter shall devote and spend most of his working time for promoting the operations of the Company. In addition, the Promoter shall not engage in any other business nor will he create any new entity for any business as long as the Verinvest Group in aggregate continues to maintain shareholding at or above the Threshold Limit in the Company. The Promoter shall however be entitled (without having to seek Consent from an Investor) to make investments of up to a maximum of INR 200,000,000 (Indian Rupees Two Hundred Million only) or 51% (Fifty One percent) of the Equity Share Capital on a Fully Diluted Basis (whichever is higher in monetary terms) in any other company as a passive financial investor, provided, however, that (i) such other company only engages in business that in no way competes with the Business of the Company and (ii) the Promoter shall not be obligated to devote any working hours for the operations of such other company. The Promoter shall not invest in excess of the above thresholds without the prior written approval of each of the Investors.
- 18.7. The Company and the Management Shareholders shall ensure that the Promoter extends his existing management/ employment contract to continue in the employment of the Company for minimum period of 5 (Five) years from the Effective Date on terms mutually agreed between the Board and the Promoter. Further, the Company shall ensure that the Key Employees of the Company, including those Persons who may replace such Key Employees in the future, enter into customary non-compete and non-solicitation arrangements with the Company, and which shall contain the same restrictions on the Key Employees as are contained in Clause 18.3, Clause 18.4, and Clause 18.5.
- 18.8. The Parties acknowledge and agree that the above restrictions are considered reasonable for the legitimate protection of the Business and goodwill of the Company, but in the event that such restriction shall be found to be void or unenforceable, but would be valid if some part thereof was deleted or the scope, period or area of application were reduced, the above restriction shall

apply with the deletion of such words or such reduction of scope, period or area of application as may be required to make the restrictions contained in this Clause 18 legally valid and enforceable. Notwithstanding the limitation of this provision by any law for the time being in force, the Parties undertake, at all times to observe and be bound by the spirit of this Clause 18. Provided however, that on the revocation, removal or diminution of the law or provisions, as the case may be, by virtue of which the restrictions contained in this Clause 18 were limited as provided herein above, the original restrictions would stand renewed and be effective to their original extent, as if they had not been limited by such law or provisions which were revoked.

- 18.9. The Management Shareholders and the Other Principal Shareholders acknowledge and agree that adequate consideration has been provided for the non-compete covenants contained in this Agreement and that restrictions contained in this Clause 18 are considered reasonable for the legitimate protection of the Business and goodwill of the Company and the Investors.
- 18.10. The Parties acknowledge and agree that the covenants and obligations with respect to non-compete and non-solicitation as set forth above relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations by one Party will cause the other Parties, irreparable injury. Therefore, it is agreed that the Company or an Investor shall be entitled to an interim injunction, restraining order or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the Management Shareholders and the Other Principal Shareholders, as the case may be, from committing any violation of the covenants and obligations contained in this Clause. These injunctive remedies are cumulative and are in addition to any other rights and remedies that the Company or an Investor may have at law or in equity.
- 18.11. The Parties acknowledge and agree that the Investors are financial investors and may directly or indirectly hold shares in other Indian companies which are engaged in a business which compete with the Business. The Parties agree that the Investors may continue to and may further choose to invest in, engage in, whether through partnership or as a shareholder, joint venture partner, or collaborator, consultant or agent or in any other manner whatsoever, for profit, any business, which competes directly with the Business.

## **19. LIABILITY OF VERLINVEST DIRECTORS**

- 19.1. The Promoter and the Company expressly agree and undertake that the Verlinvest Directors shall be non-executive directors and shall not be liable for any default or failure of the Company in complying with the provisions of any Applicable Law, including but not limited to, defaults under the Act and taxation and labour laws of India.
- 19.2. The Management Shareholders, Other Principal Shareholders and the Company expressly agree and undertake that the Verlinvest Directors shall not be identified on their part as officers in default of the Company, or occupiers of any premises used by the Company or employers under Applicable Law and further shall undertake to ensure that the other Directors or suitable persons are nominated as officers in default, occupiers and/or employers, as the case may be, in order to ensure that the Verlinvest Directors do not incur any liability.

- 19.3. The Company shall obtain and keep in force at all times a customary ‘Directors & Officers Liability Insurance Policy’, as may be acceptable to the Board in respect of the Verlinvest Directors.
- 19.4. The Company expressly agrees to indemnify, to the extent permitted by Applicable Law and to the extent not covered by any existing directors & officers liability insurance policy purchased by the Company, all Directors for any liability accruing, incurred, suffered, and/or borne due to:
- (i) the failure of the Company to comply with the provisions of any Applicable Law and/or with the provisions of this Clause 19;
  - (ii) any act, omission or conduct of or by the Company or its employees or agents (acting in such capacity) as a result of which, in whole or in part, any of the Director(s) is/are, in his/their capacity as a Director of the Company, made a party to, or otherwise incurs any loss or injury pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or
  - (iii) any action or failure to act by any Director(s) at the request of the Company.

## **20. GENERAL MEETINGS**

- 20.1. The Parties hereby agree that no valid quorum for a general meeting of the Company shall be deemed to be constituted if 1 (One) authorized representative of each of Verlinvest Group and of the Promoter are not present at such general meeting. In the event adequate quorum is not achieved at such general meeting by virtue of non-attendance by the authorized representatives of the Verlinvest Group and of the Promoter, the meeting shall be adjourned by a week at the same place and same time as the original meeting. If adequate quorum is not achieved at the adjourned general meeting, then, notwithstanding anything contained herein, the quorum for such adjourned meeting may be formed in accordance with the provisions of the Act. Notwithstanding anything contained herein, the quorum for a general meeting which involves business relating to any of the Reserved Matters, shall also require presence of 1 (One) authorized representative of each of Verlinvest Group and of the Promoter at the beginning of, and throughout, the relevant general meeting. The requirement of presence of such authorized representative of Verlinvest Group and of the Promoter to form the quorum can be waived in writing by the Verlinvest Group and the Promoter (as the case may be), provided that in such a situation, it shall have indicated in writing its specific response to the Reserved Matter proposed to be discussed in the relevant meeting, and (ii) no item other than those circulated in the agenda for such general meeting shall be discussed or voted upon.
- 20.2. Each Equity Share shall carry voting rights as prescribed under the Act. There shall be no disproportionate voting rights. Provided however, no decision shall be taken by the Shareholders at a general meeting in respect of any of the matters mentioned in the Reserved Matters above unless the Super Majority Resolution is obtained for it to be validly passed or taken at such general meeting. All matters arising at a Shareholders’ meeting shall be decided through a poll, in accordance with the provisions of the Act. However, where any matter

mentioned in the Reserved Matters requires the approval of the Shareholders in a general meeting, such matter shall require the affirmative vote of each of (a) Promoter and (b) the authorized representative of Verlinvest Group provided Verlinvest Group in aggregate continues to have shareholding at or above the Threshold Limit on a Fully Diluted Basis.

- 20.3. The Chairman of the Board shall preside as chairman of all general meetings of the Company.
- 20.4. Unless specifically appointed by the Verlinvest Group as its authorized representative for a general meeting through a written notice, a Verlinvest Director shall not be deemed to be an authorized representative of Verlinvest Group for such general meeting.
- 20.5. A general meeting of a company may be called by giving not less than clear 21(Twenty One) calendar days' notice either in writing or through electronic mode. Provided that a general meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than ninety-five per cent of the members entitled to vote at such meeting.

## **21. COOPERATION**

- 21.1. The Parties shall use their reasonable efforts to cause the transactions contemplated by this Agreement to be consummated, including without limitation, obtaining, making and causing to become effective, all Consents and other persons as may be necessary or reasonably requested by any of the Parties in order to consummate the transactions contemplated by this Agreement.
- 21.2. Without prejudice to the above, the Shareholders shall ensure that they, their representatives and proxies representing them at general meetings of the Company, and their respective nominated Directors (or Alternate Directors) at meetings of the Board shall act in such manner so as to fulfil their respective duties and obligations set out in this Agreement and the Articles.
- 21.3. If a resolution contrary to the terms of this Agreement is proposed at any general meeting of the Company or at any meeting of the Board or any committee thereof, the Shareholders, their representatives (including proxies) and their respective nominated Directors (or Alternate Directors), shall vote against the same; provided, however, that if for any reason such a resolution is passed, the Parties shall, as necessary, jointly convene or cause to be convened a meeting of the Board or any committee thereof or a general meeting of the Company for the purpose of implementing the terms and conditions of this Agreement and to give effect thereto, and to supersede such resolution.
- 21.4. If any modification, consolidation, re-enactment or notification of the provisions of the Act including the manner of interpretation of any provisions, impacts or affects the rights and obligations of a Party to this Agreement; then upon the written request of such affected Party, the Parties shall co-operate and amend (to the extent permitted by Applicable Laws), this Agreement to the satisfaction of all Parties in such manner so as to give effect to the commercial intention of the Parties with respect to the rights and obligations of the Parties thereto.

## 22. GOVERNING LAW AND DISPUTE RESOLUTION

- 22.1. This Agreement shall be governed by and construed in accordance with the laws of India, without reference to conflict of laws principles and the courts in Mumbai shall have the jurisdiction in connection with any dispute or difference relating to any of the matters set out in this Agreement (“**Dispute**”). Notwithstanding anything contained in this Agreement, in the event of Dispute, the Parties shall discuss in good faith to resolve the Dispute. In case the Dispute is not settled within 60 (Sixty) calendar days, it shall be referred to arbitration in accordance with the Clause 22.2 below.
- 22.2. All such Disputes that have not been satisfactorily resolved under the preceding sub-clause within the 60 (Sixty) day period provided for therein shall be referred to arbitration before a single arbitrator to be jointly appointed by the Parties to the Dispute in the following manner.
- (i) The Party referring the Dispute to arbitration (“**Referring Party**”) shall serve a notice, in writing (“**Arbitration Notice**”), on the other Parties (“**Responding Parties**”) indicating its intention to refer the Dispute to arbitration and identifying the arbitrator to be appointed to resolve the Dispute.
  - (ii) Within 15 (Fifteen) calendar days of receipt of the Arbitration Notice, the Responding Parties shall respond, in writing (“**Arbitration Response**”), if the arbitrator identified by the Referring Party is acceptable to it.
  - (iii) In case the Responding Party accepts such arbitrator or if it fails to provide the Arbitration Response as provided in Clause 22.2(ii) above, the arbitrator identified by the Referring Party shall be the arbitrator appointed for resolving the Dispute.
  - (iv) In case the Responding Party does not accept the arbitrator identified by the Referring Party in its Arbitration Response, the Dispute shall be referred to an arbitral tribunal of 3 (Three) arbitrators wherein the first arbitrator shall be appointed by the Referring Party, the second arbitrator will be appointed by the Responding Party(ies), and the third arbitrator will be appointed by the other 2 (Two) arbitrators so appointed.
- 22.3. The arbitration proceedings shall be carried out in accordance with the rules laid down by the Arbitration and Conciliation Act, 1996, and the venue and seat of arbitration shall be Mumbai. The arbitration proceedings shall be conducted in the English language.
- 22.4. The award of the arbitrator shall be final and conclusive and binding upon the Parties and non-appealable to the extent permitted by Applicable Law. No Party shall seek to resist the enforcement of any award in India or elsewhere on the basis that the award is not subject to such provisions. The award rendered shall apportion the costs of the arbitration.
- 22.5. The Parties agree that the arbitrator shall also have the power to decide on the costs and reasonable expenses (including reasonable fees of its counsel) incurred in the arbitration and award interest up to the date of the payment of the award.

- 22.6. The Parties further agree that the relevant courts of competent jurisdiction, as well as the arbitrator, shall have the jurisdiction to entertain any proceedings for interim relief related to this Agreement whether during pendency, or after expiry or termination, and award such reliefs.
- 22.7. When any Dispute is referred to arbitration, except for the matters under Dispute, the Parties shall continue to exercise their remaining respective rights and fulfil their remaining respective obligations under this Agreement.

## **23. NOTICES**

23.1. Unless otherwise provided herein, all notices or other communications to be given shall be made in writing and delivered by courier or registered post with acknowledgement due or by email.

23.2. The addresses referred to above are:

(i) In the case of notices to Verlinvest SA:

Address: Place Flagey 18, 1050 Brussels, Belgium,

For the attention of: Mr. Arjun Anand

Email: AAnand@Verlinvest.asia;

and with a copy to: Mr. Roberto Italia - [ritalia@verlinvest.com](mailto:ritalia@verlinvest.com), Mr. Rafaël Hulpiau - [rhulpiau@verlinvest.com](mailto:rhulpiau@verlinvest.com) and Cedric Hulpiau - [chulpiau@verlinvest.com](mailto:chulpiau@verlinvest.com)

(ii) In the case of notices to Verlinvest Asia:

Address: 163 Penang Road, #04-04 Winsland House II, Singapore, 238463,

For the attention of: Mr. Arjun Anand

Email: AAnand@Verlinvest.asia;

and with a copy to: Cedric Hulpiau - [chulpiau@verlinvest.com](mailto:chulpiau@verlinvest.com), Mr. Roberto Italia - [ritalia@verlinvest.com](mailto:ritalia@verlinvest.com), Mr. Rafaël Hulpiau - [rhulpiau@verlinvest.com](mailto:rhulpiau@verlinvest.com) and Cedric Hulpiau - [chulpiau@verlinvest.com](mailto:chulpiau@verlinvest.com)

(iii) In the case of notices to Verlinvest France:

Address: 50, rue Castagnary 75015 Paris, France,

For the attention of: Mr. Arjun Anand

Email: AAnand@Verlinvest.asia;

and with a copy to: Mr. Roberto Italia - [ritalia@verlinvest.com](mailto:ritalia@verlinvest.com), Mr. Rafaël Hulpiau - [rhulpiau@verlinvest.com](mailto:rhulpiau@verlinvest.com) and Cedric Hulpiau - [chulpiau@verlinvest.com](mailto:chulpiau@verlinvest.com)

(iv) In the case of notices to Cofintra:

Address: Place Flagey 18, 1050 Brussels, Belgium,

For the attention of: Mr. Arjun Anand

Email: AAnand@Verlinvest.asia;

and with a copy to: Mr. Roberto Italia - ritalia@verlinvest.com, Mr. Rafaël Hulpiau - rhulpiau@verlinvest.com and Cedric Hulpiau - chulpiau@verlinvest.com

- (v) In the case of notices to GIA:

Address: 4<sup>th</sup> Floor, Ebene Skies, Rue de l'Institut, Ebene 80817, Mauritius

For attention of: Mr. Ammar Gooneeadry

Email: ammar.gooneeadry@mitco.mu

- (vi) In the case of notices to Haystack:

Address: C/o Mauritius International Trust Company Limited, 4th Floor, Ebene Skies, Rue de l'Institut, Ebene, Mauritius

For attention of: Mr. Bishwarnath Bachun

Email: bob.bachun@mitcoworld.com

- (vii) In the case of notices to the Company:

Address: 901 Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai – 4000 69

For attention of: Mr. Rajeev S Samant

Email: rajeevs@sulawines.com; cs@sulawines.com

- (viii) In the case of notices to the Promoter:

Address: Carmichael House, Carmichael Road, Mumbai - 400 026

For attention of: Mr. Rajeev S Samant

Email: rajeevs@sulawines.com

- (ix) In the case of notices to Saama:

Address: 4<sup>th</sup> Floor, 19 Bank Street, Cybercity, Ebene, Mauritius

For attention of: Mr. Mahesh Doorgakant and Mr. Ashit Ranjit Lilani

E-mail: mahesh@apex.mu, ash@saamacapital.vc; with a copy to Ms. Amrita Barthakur - amrita@saamacapital.vc

- (x) In the case of notices to Sanjay:

Address: 6 Ardmore Park, #10-00 Juniper at Ardmore, Singapore 259953

For attention of: Mr. Sanjay Naraindas Kirpalani

Email: sanjay@enpee.com; with cc to BakerStreet@hpwm.sg

- (xi) In the case of notices to Narain:

Address: 9 Ardmore Park, #14-02, Singapore 259955

For attention of: Narain Girdhar Chanrai  
Email: ngc@kewalram.com

- (xii) In the case of notices to R&D:

Address: 2021 Terraza Place, Fullerton, CA 92835, USA  
For attention of: Dr. Rabin Lai  
Email: rabinlai9@gmail.com

- (xiii) In the case of notices to Shashi:

Address: 55 Cairnhill Road, #27-06 Cairnhill Plaza, Singapore 229666  
For attention of: Ms. Shashi Vig  
Email: shashivig@gmail.com

- (xiv) In the case of notices to Mousserena:

Address: Maples Corporate Services Limited, Uglan House, P.O. Box 309, South Church Street, Grand Cayman, George Town, Cayman Islands, KY1-1104  
For attention of: Ms. Melissa Jaehnig  
Email: mjaehnig@moussepartners.com; with copies to Parker Hayden – phayden@moussepartners.com; Paul Yun – pyun@moussepartners.com, and Andrew Jankowski – ajankowski@moussepartners.com.

- (xv) In case of SWIP:

Address: 4th Floor, Ebène Skies Rue de l'Institut, Ebène, Republic of Mauritius  
For attention of: Mr. Bishwarnath Bachun  
E-mail: bob.bachun@mitco.mu

- (xvi) Incase of DSGCP Buildout II

Address: Apex Fund Services (Mauritius) Ltd, 4h Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius  
For attention of: Mr. Mahmad Tahleb Rujub  
Email: tahleb@apex.mu

23.3. Any such notice, demand or communication shall, unless the contrary is proved, be deemed to have been duly served at the time of delivery in the case of service by courier or registered post and the same Business Day in case of service by email.

23.4. Any Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to all the other Parties not less than 10 (Ten) Business Days' prior written notice thereof.



## 24. TERM AND TERMINATION

- 24.1. This Agreement shall come into effect and force on the Effective Date and shall remain in full force unless terminated in accordance with the provisions of this Clause 24.
- 24.2. Subject to the provisions of Clause 24.9 below, this Agreement shall automatically terminate with respect to all Parties upon the occurrence of any of the following events, whichever is earlier:
- (i) Successful completion of an Initial Public Offering, provided that in such event the Shareholders shall execute a new shareholders' agreement incorporating the stipulations and principles of this Agreement to the extent permitted by Applicable Law; or
  - (ii) Acquisition of 76% (Seventy Six percent) or more of the Securities by a Competitor (on a Fully Diluted Basis).
- 24.3. The Company shall be entitled to terminate this Agreement with respect to an Investor (and only such Investor), subject to approval from the Verlinvest Group and the Promoter, by giving a notice in writing, upon the happening of any one of the following events:
- (i) Such Investor committing a material breach of any of the provisions of this Agreement and failing to remedy such breach within 30 (Thirty) calendar days of being notified of the same;
  - (ii) Such Investor going into liquidation or passing a resolution for voluntary winding up or a receiver or liquidator being appointed in respect of any property of such Investor or a petition for winding up of such Investor being admitted by a competent court;
  - (iii) Such Investor being declared insolvent or bankrupt or filing a petition for being declared as an insolvent or bankrupt or an administrator being appointed in respect of any of the properties of such Investor.
- 24.4. Upon occurrence of any of the following events (each a "**Default Event**"),
- (i) The Company or the Management Shareholders committing a material breach of any of the provisions of this Agreement, and failing to remedy such breach within 30 (Thirty) calendar days of being notified of the same;
  - (ii) Any governmental action being taken, or proposed (in writing) to be taken, debarring the Company from carrying on its business or rendering it impossible to transact the Business, or if a substantial portion of the assets, property, revenues or Business of the Company is confiscated or expropriated or proposed to be confiscated or expropriated, by the Government Authorities in India;
  - (iv) The Management Shareholders and/or their Affiliates and/or any Person nominated by them in accordance with this Agreement ceasing to hold any Securities of the Company;

- (v) The Company going into liquidation or passing a resolution for voluntary winding up or a receiver or liquidator being appointed in respect of any of the property of the Company or a petition for winding up of the Company being admitted; and
  - (vi) Any of the Management Shareholders being declared insolvent or bankrupt or filing a petition for being declared as an insolvent or bankrupt or an administrator being appointed in respect of any of the properties of any of the Management Shareholders, then, notwithstanding the transfer provisions contained in Clause 6, each Investor shall have the right, to require the Promoter, by giving a notice in writing, to purchase all the Securities held by such Investor(s) either himself or through any Person nominated by him, at a price determined in accordance with the provisions of Clause 24.5 below within 30 (Thirty) calendar days from the date of receipt of such notice subject to obtaining of all necessary approvals from the relevant Governmental Authorities, if required. In the event, the Promoter is unable or unwilling to purchase such Securities either himself or through any Person nominated by him, then Investor(s) shall have a right to sell the Securities held by them to any Person without any restriction.
- 24.5. For the purposes of above Clause 24.4, the Investor(s) shall appoint a reputed investment banker to determine the value and sale price of the Securities, within 7 (Seven) calendar days of the notice given under Clause 24.4 above. The costs and expenses incurred for the valuation of the Securities by the investment banking firm and/or the expenses, if any, incurred in connection with the appointment of the investment banking firm, shall be borne by the Company.
- 24.6. Notwithstanding anything contained herein, the rights and obligations of the Parties under Clauses 22, 23, 24.9, 25, and 26.12 of this Agreement, shall survive the termination of this Agreement.
- 24.7. Termination of this Agreement for any cause whatsoever shall not relieve a Party hereto of any liability, which at the time of termination has already accrued to the other Parties hereto, or which may, thereafter, accrue in respect of any act or omission prior to such termination.
- 24.8. It is clarified that with respect to a specific Shareholder, this Agreement shall stand automatically terminated with respect to such specific Shareholder without any further action by the Parties upon such Shareholder ceasing to hold any Securities of the Company without prejudice to such rights or liabilities/obligations that have already accrued to such Shareholder prior to termination.
- 24.9. Notwithstanding anything contained herein, in the event of an Initial Public Offering, Clause 6, Clause 7, Clause 8, Clause 9, Clause 11, Clause 12, and Clause 18 of this Agreement shall survive and, to the extent permitted by Applicable Law, apply in full for a period of 2 years post the listing of the Securities of the Company; and Clause 11.2 shall survive, to the extent permitted by Applicable Law, and apply in full for an indefinite period, until any such change to the clause is agreed to between Verlinvest Group and the Company.

24.10. The termination of this Agreement or the purported termination of this Agreement shall be without prejudice to any claim or rights of action, including but not limited to the right to seek damages, previously accrued to any Party hereto against the any other Party.

## **25. CONFIDENTIALITY**

25.1. The Parties recognise that each of them will be given and have access to confidential and proprietary information of the other Parties. The Parties undertake not to use any of such confidential information for their own purposes without the prior written consent of the Party owning such information and shall keep confidential and not to disclose to any third party any of the other Parties' confidential and proprietary information. The Parties shall also cause their respective directors, employees, officers and any other persons to whom the above mentioned information is disclosed to execute confidentiality agreements to the effect provided in this clause. The obligations of confidentiality shall not apply to any information that:

- (i) was developed independently by the Parties;
- (ii) was known to the Party prior to an unauthorized disclosure;
- (iii) has become generally available to the public (other than by virtue of its unauthorized disclosure);
- (iv) may be required under Applicable Law in any report, statement or document that the Company submitted to any Governmental Authority;
- (v) may be required in response to any summons or in connection with any litigation;
- (vi) may be required to comply with any Applicable Law;
- (vii) was disclosed pursuant to its approval in writing by the Management Shareholders and the Investors; or
- (viii) information that may be shared by a Shareholder with a prospective purchaser of its Securities, provided that such purchaser shall have committed to confidentiality obligations to the extent provided under this Clause 25.

Provided that prior to any disclosure in respect of a request to disclose confidential information under sub-clauses (iv), (v), and (vi), a Party must first notify the Party owning such confidential information, who shall then have the opportunity to respond to and/or dispute such request.

25.2. Upon termination or expiry of this Agreement, the Parties shall cause the Company to return to the Investors and the Management Shareholders, as applicable, and the Parties shall return to each other, all documents and information belonging to such Person and all copies thereof in the possession or under the control of a Party which does not own such property, and all confidential information in whatever media.

25.3. The Parties acknowledge and agree that the covenants and obligations with respect to confidentiality set forth in this Clause 25 relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations will cause the Company and the owner of such property irreparable injury for which adequate remedies are not available at law. Therefore, the Parties agree that the concerned Party entitled to enforce the covenants set forth above, shall be entitled to an injunction, restraining order or such other

equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the other Party from committing any violation of the covenants and obligations contained in this Clause 25. These injunctive remedies are cumulative and are in addition to any other rights and remedies the concerned Party may have at law or in equity.

## **26. MISCELLANEOUS PROVISIONS**

### **26.1. Articles of Association**

The Parties shall ensure that the Articles shall at all times incorporate the terms of this Agreement (as may be amended from time to time). The Parties hereby agree to vote their Securities and take such other actions as may be necessary to cause the Company to adopt the provisions of this Agreement into the Articles, and to make all amendments thereto, as may be required from time to time. Every Shareholder, present and future, shall be deemed to invest in the Company with full knowledge of the terms and conditions set forth in this Agreement.

### **26.2. Reservation of Rights**

No forbearance, indulgence or relaxation or inaction by any Party at any time to require performance of any of the provisions of this Agreement shall in any way affect, diminish or prejudice the right of such Party to require performance of that provision, and any waiver or acquiescence by any Party of any breach of any of the provisions of this Agreement shall not be construed as a waiver or acquiescence of any continuing or succeeding breach of such provisions, a waiver of any right under or arising out of this Agreement or acquiescence to or recognition of rights other than that expressly stipulated in this Agreement.

### **26.3. Cumulative Rights**

All remedies of a Party under this Agreement whether provided herein or conferred by statute, civil law, common law, custom or trade usage, are cumulative and not alternative and may be enforced successively or concurrently.

### **26.4. Partial Invalidity**

If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, 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.

### **26.5. Amendments**

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

**26.6. No Assignment**

This Agreement and the rights and liabilities hereunder shall bind and inure to the benefit of the respective successors of the Parties hereto, but no Party hereto shall assign or transfer its rights and liabilities hereunder to any other Person without the prior written consent of the other Parties. Provided however, that the Investors shall have the right to assign their rights and obligations under this Agreement (i) to an Affiliate and/or (ii) to any Person upon a Transfer of Securities or voting rights to such Person in accordance with the terms of this Agreement. Upon such assignment of rights and obligations by one Party to any third party, the provisions applicable hereunder to such Party shall become applicable to such Affiliate or Person to whom the Securities or voting rights were transferred.

**26.7. Entire Agreement**

This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter herein and supersedes and cancels any prior oral or written agreement, representation, understanding, arrangement, communication or expression of intent relating to the subject matter of this Agreement. It is expressly clarified that this Agreement shall supersede and terminate the Existing SHA and the Heads of Terms from the Effective Date.

**26.8. Relationship**

None of the provisions of this Agreement shall be deemed to constitute a partnership between the Parties hereto and no Party shall have any authority to bind the other Party otherwise than under this Agreement or shall be deemed to be the agent of the other in any way. The liabilities of the Investors under this Agreement shall be several and not joint.

**26.9. Costs**

Each Party shall bear its own expenses incurred in preparing this Agreement. The stamp duty payable on this Agreement shall be borne by the Company.

**26.10. Force Majeure**

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 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, Applicable Law, fires, floods, explosions, epidemics, accidents, acts of God, wars, riots, strikes, lockouts, or other concerted acts of workmen, acts of Government and/or shortages of materials. The Party claiming an event of force majeure shall promptly notify the

other Parties 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 Parties informed of any further developments. The Party so affected shall use its best efforts to remove the cause of non-performance, and the Parties shall resume performance hereunder with the utmost dispatch when such cause is removed.

**26.11. Reservation of Rights**

The Parties acknowledge that Mr. Gautam Gandhi (“**Proposed Investor**”) is in the process of completing the purchase of certain Equity Shares of the Company. Pursuant to the consummation of such purchase, and upon the Proposed Investor executing the Deed of Adherence, the Proposed Investor shall have the same rights and obligations as the Specified Investors, other than the Verlinvest Group, and accordingly, the terms “Investor(s)” and “Specified Investor(s)” shall be deemed to include the Proposed Investor.

**26.12. Public announcements**

No Party to this Agreement shall make any disclosure or announcements about the subject matter of this Agreement to any Person without the prior written consent of the other Parties.

**26.13. Execution and Counterparts**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument. The delivery of executed signature pages by facsimile or electronic transmission will constitute effective and binding execution and delivery of this Agreement.

**26.14. Authorization**

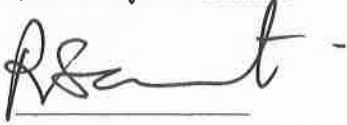
The persons signing this Agreement on behalf of the Parties represent and covenant that they have the authority to so sign and execute this document on behalf of the Parties for whom they are signing.

*SIGNATURE PAGES TO FOLLOW*

**SIGNATORIES**

**IN WITNESS WHEREOF** the Parties hereto have set and subscribed their respective hands to these presents on the date first above written:

**Sula Vineyards Limited**



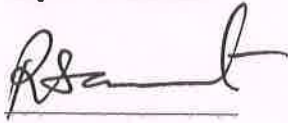
Signed by

Name: Mr. Rajeev Samant

Designation: Managing Director & CEO

Signature page of the Amended and Restated Shareholders' Agreement dated 22/01/22 executed between Sula Vineyards Limited and its shareholders.

**Rajeev S. Samant**

A handwritten signature in black ink, appearing to read 'R. Samant', written over a horizontal line.

Signature page of the Amended and Restated Shareholders' Agreement dated 22/01/22  
executed between Sula Vineyards Limited and its shareholders.



**Mrs. Sulabha S Samant**

*S. Samant*

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Suresh A Samant jointly with Mrs. Sulabha S Samant**

Mr. Suresh A Samant

Signed by Mr. Suresh A Samant

S. Samant

Signed by Mrs. Sulabha S Samant

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**Ms. Ruta M Samant**

RutaSamant

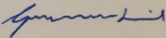
Signature page of the Amended and Restated Shareholders' Agreement dated 6<sup>th</sup> January 2022  
executed between Sula Vineyards Limited and its shareholders.

Mrs. Karishma Singh

Karishma Singh

Signature page of the Amended and Restated Shareholders' Agreement dated 5/1/22  
executed between Sula Vineyards Limited and its shareholders.

Mr. Gurnam Singh Sumal



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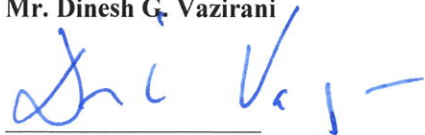
Signature page of the Amended and Restated Shareholders' Agreement dated 5th January 2022  
executed between Sula Vineyards Limited and its shareholders.

**Ms. Daisy Damskey**

A handwritten signature in blue ink that reads "Daisy Damskey". The signature is written in a cursive style with a large, stylized initial "D".

Signature page of the Amended and Restated Shareholders' Agreement dated 1<sup>st</sup> 20.22  
executed between Sula Vineyards Limited and its shareholders.

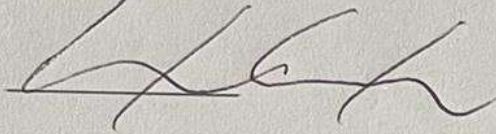
**Mr. Dinesh G. Vazirani**



Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.



Ms. Cecilia Oldne

A handwritten signature in black ink, appearing to be 'C. Oldne', written over a horizontal line.

Signature page of the Amended and Restated Shareholders' Agreement dated 2/01/22  
executed between Sula Vineyards Limited and its shareholders.

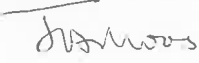


Maj. AV Phatak (Retd.)



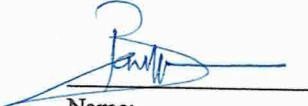
Signature page of the Amended and Restated Shareholders' Agreement dated 8 Jan 2022  
executed between Sula Vineyards Limited and its shareholders.

**Mr. J. A. Moos**



Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**M/s. GIA (Sula) Holdings Ltd**



Name:

Designation:

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**M/s. Cofintra S.A.**

Name:

Designation:

*Tangula SRL  
represented by Eric Mellou  
Director*

*Axelle Henry  
Director*

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**M/s. Verlinvest S.A**

Name:

Designation:

Rafaël Hulpiau  
Joint Proxy-holder

  
Axelle Henry  
CFO

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**M/s. Verlinvest France SA**

\_\_\_\_\_  
Name:

Designation:

  
Raphaël Hulpiau  
Director

  
Axelle Henry  
President - General Director

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**M/s. Verlinvest Asia Pte Ltd**

\_\_\_\_\_  
Signed by

Name: *Axelle Henry*

Designation: *Director*



Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**M/s. Haystack Investments Ltd.**



Signed by

Name: Reena DOOLUB

Designation: Director

Signature page of the Amended and Restated Shareholders' Agreement dated 11.01.2022  
executed between Sula Vineyards Limited and its shareholders.



**M/s. Saama Capital III, Ltd.**

A handwritten signature in blue ink, consisting of several loops and a vertical stroke, positioned above a horizontal line.

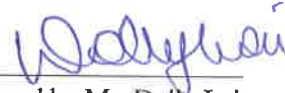
Signed by Name: Navun Dussoruth  
Designation: Director

Signature page of the Amended and Restated Shareholders' Agreement dated 03 February 2022  
executed between Sula Vineyards Limited and its shareholders.

**Dr. Rabin Diwan Lai jointly with Ms. Dolly Lai**



Signed by Dr. Rabin Diwan Lai



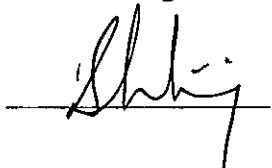
Signed by Ms. Dolly Lai

Signature page of the Amended and Restated Shareholders' Agreement dated

Jan. 6, 2022

executed between Sula Vineyards Limited and its shareholders.

**Ms. Shashi Vig**

A handwritten signature in black ink, appearing to read 'Shashi', is written over a horizontal line.

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Narain Girdhar Chanrai**

N. C. Chanrai

06/01/2022

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

Mr. Sanjay Naraindas Kirpalani

Sanjay Kirpalani.

Signature page of the Amended and Restated Shareholders' Agreement dated 7<sup>th</sup> JANUARY 2022  
executed between Sula Vineyards Limited and its shareholders.



**M/s. Mousserena, L.P.**

Charles Heilbronn

Signed by

Name: Charles Heilbronn

Designation: President of Serena Limited, the general partner

Signature page of the Amended and Restated Shareholders' Agreement dated January 5, 2022  
executed between Sula Vineyards Limited and its shareholders.

**M/s. SWIP Holdings Limited**



\_\_\_\_\_  
Signed by

Name: Kiran Sreedharan

Designation: Director

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.



Mr. Manoj Rawat

Manoj Rawat

Signature page of the Amended and Restated Shareholders' Agreement dated 6-Jan-2022  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Monit Dhavale**

A handwritten signature in cursive script, appearing to read "monit", written over a horizontal line.

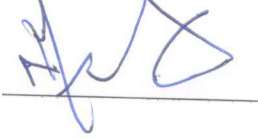
Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Nana Madhav Shelke**



Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

Mr. Neil Fernandes



Signature page of the Amended and Restated Shareholders' Agreement dated 22/01/2022.  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Gorakh Gaikwad**

A handwritten signature in blue ink, appearing to be 'Gorakh Gaikwad', written over a horizontal line. The signature is stylized and includes a long horizontal stroke extending to the right.

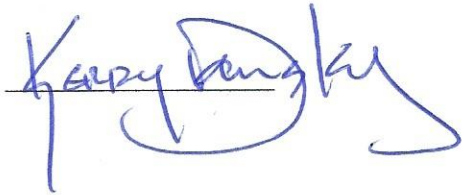
Signature page of the Amended and Restated Shareholders' Agreement dated 20/01/2022  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Chaitanya Rathi**



Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.

**Mr. Kerry Damskey**



Signature page of the Amended and Restated Shareholders' Agreement dated

January 20 2022

executed between Sula Vineyards Limited and its shareholders.

**M/s. DSGCP Buildout II**



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Signed by

Name: Mrs. Tevina Ramsaha-Gulab

Designation: Director

Signature page of the Amended and Restated Shareholders' Agreement dated \_\_\_\_\_  
executed between Sula Vineyards Limited and its shareholders.



## SCHEDULE I

### LIST OF OTHER PRINCIPAL SHAREHOLDERS

1. Ms. Karishma Singh, residing at C-3, 4<sup>th</sup> Floor, Alaknanda, 16 Nepeansea Road, opp. Katgara House, Mumbai -400006;
2. Mr. Gurnam Singh Sumal residing at residing at B-3, Alaknanda, 2<sup>nd</sup> Floor, Nepeansea Road, Cumballa hill, Mumbai -400026;
3. Ms. Ruta Mohan Samant, residing at 'Pratiksha'7A, Worli Seaface, Mumbai – 400 025;
4. Mr. Dinesh G. Vazirani, residing at 2nd Floor, Rushi House, Darabsha Lane, Off Nepeansea Road, Mumbai – 400 036;
5. Maj. Arun V. Phatak (Retired) , residing at 23, Jay Mahal, A Road, Churchgate, Mumbai – 400 020;
6. Mr. J A. Moos, residing at Karai Estate, Tardeo Road, Mumbai – 400 007;
7. Ms. Daisy Damskey, residing at 422, Woodridge Court, Geyserville, CA 95441, USA;
8. Ms. Cecilia Oldne, residing at Silva Heritage, 3rd Floor, A wing, 29, Sherly, Bandra (West), Mumbai – 400 050;
9. Mr. Manoj Rawat, residing at 201, Srishti Bldg No. 346 CHS LTD., Sector – 3, Srishti Complex, Mira Rd – East, Thane – 401107;
10. Mr. Monit Dhavale, residing at B-2/001 Dhruv Bldg, Vansaj Society, Near Singapore Garden, Takli Road, Nashik – 422011;
11. Mr. Nana Madhav Shelke, residing at Dr. Vikas Pawar Hospital, Gangapur Road, Flat No. 04, Isha Co-op Housing Soc. Bhavik Nagar, Nashik – 422013;
12. Mr. Neil Fernandes, residing at Tithe, House No. W6/178/1, Near Zonal Agricultural Office, St Cruz, Ponda, North Goa – 403 401;
13. Mr. Gorakh Gaikwad, residing at Flat No. 1, Hansvihar Apt, Behind Raccas Green Square, Hanumanwadi, Panchavati, Nashik – 422003;
14. Mr. Kerry Damskey, residing at 422 Woodridge Court, Geyserville, California 95441 US; and
15. Mr. Chaitanya Rathi, residing at New Bhiwandi House, 96 AK Marg, Kemp's Corner, Mumbai – 400036.

**SCHEDULE II**

**CAP TABLE OF THE COMPANY AS ON 15th DECEMBER 2021**

<b>Sl. No.</b>	<b>Shareholder</b>	<b>No. of Shares</b>	<b>% Shareholding on total paid-up shares (excluding ESOS/warrants)</b>	<b>% Shareholding on total shares (including maximum pool of ESOS/warrants)</b>
1.	Mr. Rajeev S Samant (excluding warrants)	19265069	24.76%	22.80%
2.	Warrants granted to Mr. Rajeev Samant	3569550	-	4.23%
3.	Mrs. Sulabha S Samant	1495000	1.92%	1.77%
4.	Mr. Suresh A Samant JT Mrs. Sulabha Samant	677490	0.87%	0.80%
5.	Mr. Bharat S Samant	25,000	0.03%	0.03%
6.	Mr. Ashwin M Samant	15500	0.02%	0.02%
7.	Ms. Ruta M Samant	4461740	5.74%	5.28%
8.	Ms. Ursula Sumal	2129170	2.74%	2.52%
9.	Ms. Daisy Damskey, USA	381970	0.49%	0.45%
10.	Mr. Dinesh G. Vazirani	200,000	0.26%	0.24%
11.	Mr. Kerry Damskey	35995	0.05%	0.04%
12.	Mr. Chaitanya Rathi	10590	0.01%	0.01%
13.	Maj. AV Phatak (Retd.)	78625	0.10%	0.09%
14.	Mr. J. A. Moos	5,000	0.01%	0.01%
15.	Ms. Cecilia Oldne	30,000	0.04%	0.04%
16.	Mr. Manoj Rawat	10,000	0.01%	0.01%
17.	Mr. Monit Dhavale	6000	0.01%	0.01%
18.	Mr. Nana Madhav Shelke	12,500	0.02%	0.01%
19.	Mr. Neil Fernandes	750	0.00%	0.00%
20.	Mr. Gorakh Gaikwad	2500	0.00%	0.00%
21.	M/s. GIA (Sula) Holdings Ltd	300,000	0.39%	0.36%

22.	M/s. Verlinvest S.A	71,91,835	9.24%	8.15%
23.	M/s. Cofintra S.A.	71,91,835	9.24%	8.15%
24.	M/s. Verlinvest France S.A	65,79,565	8.46%	7.79%
25.	M/s. Verlinvest Asia Pte. Ltd	1,76,42,275	22.68%	20.88%
26.	M/s. Haystack Investments Ltd.	9,52,741	1.22%	1.13%
27.	M/s. Saama Capital III	15,27,530	1.96%	1.81%
28.	M/s. Swip Holdings Limited	2,69,058	0.35%	0.32%
29.	Dr. Rabin Diwan Lai, jointly with Ms. Dolly Lai	57,285	0.07%	0.07%
30.	Ms. Shashi Vig	38,190	0.05%	0.05%
31.	Mr. Gautam Gandhi	3,81,907	0.05%	0.05%
32.	Mr. Narain Girdhar Chanrai	22,38,475	2.88%	2.65%
33.	Mr. Sanjay Naraindas Kirpalani	9,54,705	1.23%	1.13%
34.	Mousserena LP (Mousse Partners)	30,91,750	3.97%	3.66%
35.	Mr. Karan Vasani	2,12,500	0.27%	0.25%
36.	DSGCP Buildout II	5,41,667	0.70%	0.64%
37.	Mrs. Sangeeta Pendurkar	1,25,000	0.16%	0.15%
38.	ESOS 2018 (2) to Sanjeev Paithankar (granted, vesting dt. 7th June 2021, exercise price of INR 170/- per share)	50,000	-	0.06%
39.	ESOS COO & CFO to Chaitanya Rathi & Bittu Varghese (granted, 257,395 options vesting dt. 1st July 2020 & 50,000 shares 24th April 2021 respectively, exercise price of INR 170/- per share)	3,07,395	-	0.36%
40.	ESOS COO & CFO to Chaitanya Rathi & Bittu Varghese (granted, 257,395 options & 50,000 shares respectively vesting dt. 14th May 2021, exercise price of INR 170/- per share)	3,07,395	-	0.36%
41.	ESOS COO & CFO to Chaitanya Rathi & Bittu	3,07,390	-	0.36%

	Varghese (granted, 257,390 options & 50,000 shares respectively vesting dt. 30th July, 2021, exercise price of INR 170/- per share)			
42.	ESOS 2020 to Neeraj Sharma (granted, 16665 options vesting dt. 1st October 2020, exercise price of INR 170/- per share)	16,665	-	0.02%
43.	ESOS 2021 to Neeraj Sharma (granted, 16665 options vesting dt. 30th July, 2021, exercise price of INR 170/- per share)	16,665	-	0.02%
44.	ESOP outstanding(1) 16670 stock options to Neeraj Sharma for FY 22 & FY 23	16,670	-	0.02%
45.	ESOP Issued (ESOP 2021)	18,79,750	-	2.22%
	<b>Total - fully paid up shares</b>	<b>7,77,95,500</b>	<b>100.0%</b>	<b>95.0%</b>
	<b>Total - including maximum pool of ESOS/Warrants</b>	<b>8,45,02,805</b>	<b>-</b>	<b>100.0%</b>

Max pool of ESOS and Warrants do not include sweat equity commitments to external advisors/ consultants - as detailed below:

The price for all future ESOS issued post the Effective Date shall be as per the Agreed Pricing Mechanism (provided below) at the Exercise Price per share or at INR 170/-, whichever is higher.

Agreed Pricing Mechanism:

- Enterprise Value = [(3.3 x proforma net revenue) + (23 x proforma EBITDA)] ÷ 2*
- Equity Value = Enterprise Value – Net Debt\*\**
- Exercise Price per share = Equity Value ÷ total number of \*fully diluted shares + options + warrants outstanding*

*\*Fully diluted means - fully paid up shares, and includes only granted warrants/ options.*

*\*\* Net Debt will include the proceeds from warrants & options granted but not fully paid up.*

### SCHEDULE III

#### DEED OF ADHERENCE

**THIS DEED OF ADHERENCE** is made the \_\_\_\_ day of \_\_\_\_\_ **BETWEEN:**

(1) \_\_\_\_\_ (TRANSFEEE) to whom shares of the Company have been transferred by \_\_\_\_\_ (THE SELLING SHAREHOLDER) (hereinafter referred to as "**Covenantor**"); and

(2) \_\_\_\_\_ (THE NON-SELLING SHAREHOLDERS OF THE COMPANY);

(3) SULA VINEYARDS PRIVATE LIMITED (THE COMPANY),

**THIS DEED IS SUPPLEMENTAL** to the Shareholders' Agreement (hereinafter referred to as "**the Agreement**") dated \_\_\_\_ day of \_\_\_\_\_ between (1) \_\_\_\_\_, (2) \_\_\_\_\_ ('Company'), (3) \_\_\_\_\_, (4) \_\_\_\_\_, (5) \_\_\_\_\_, and (6) \_\_\_\_\_.

**AND WITNESSES** as follows:

1. The Covenantor hereby confirms that it has been supplied with a copy of the Agreement and the Memorandum and Articles of the Company (as varied by the Parties thereto) together with (details of any variation) and hereby covenants with the Non-Selling Shareholders and the Company to observe, perform and be bound by all the terms thereof which are capable of applying to the Covenantor to the intent and effect that the Covenantor shall be deemed, with effect from the date on which the Covenantor is registered as a member of the Company, to be a party to the Agreement.
2. The Covenantor hereby covenants that it shall not do any act or commit any omission that derogates from the provisions of the Agreement or the Memorandum and Articles of the Company.
3. This Deed shall be governed in all respects by the laws of India.

EXECUTED as a deed the day and year first before written.

## SCHEDULE IV

### REPRESENTATIONS AND WARRANTIES

As on the Effective Date each of the Company and the Promoter hereby severally represents and warrants to the Verlinvest Group the following, save and except as disclosed in Schedule V (*Disclosure Schedule*). For the purposes of this Schedule, “**Knowledge**” of the Company or Promoter (as the case may be) means the actual knowledge, information, or awareness of such Party, and also includes any fact that ought to have been known by such Party upon a due and careful enquiry.

#### **1. Information**

The information set out in each of the following clauses is complete and accurate in all respects. None of the information is misleading in any manner whatsoever, whether by inclusion of misleading information or omission of any information or both.

#### **2. Reports**

Save and except statutory reports furnished by the Company's statutory auditors, management and internal auditors, there has been no report concerning the Company or the whole or any part of its property or undertaking, by any accountant or financial or management consultant in the period since its incorporation up to the date of this Agreement except as disclosed in the Disclosure Schedule.

#### **3. Approvals**

To the best Knowledge of the Company or the Promoter (as the case may be), each of the material legal, regulatory, lender, or creditor approvals required for the purchase and subscription of Securities by each of the entities of the Verlinvest Group has been duly obtained and any condition imposed under any such approval has been duly observed.

#### **4. Incorporation and power**

The Company:

- (a) is a company duly incorporated under the laws of India;
- (b) has the power to own its assets and carry on its business; and
- (c) is duly registered and authorized to do business in India.

#### **5. Constituent documents**

The business and affairs of the Company have been conducted in accordance with its Memorandum of Association and Articles of Association (“**Charter Documents**”) as existing in such points in time; and the Company has delivered true and correct copies of the latest Charter Documents to the Verlinvest Group.

## **6. Corporate Records**

- (a) The Company has maintained all corporate records including all the statutory registers, such as registers of Shareholders, transfer, directors, contracts in which Directors are interested etc.
- (b) The Company has maintained records and minutes of all meetings and resolutions which have been passed by the Board and Shareholders of the Company.
- (i) All provisions of the Act relating to board meetings and annual general meetings have been fully complied with. The Board meetings and the general meetings, of the Company have been validly held in accordance with the provisions of the Act and all actions and resolutions relating to each such meeting were taken and passed respectively in accordance with the provisions of the Act.
- (ii) The Company has duly and timely filed all annual returns with the Registrar of Companies.
- (iii) All the information contained in the various registers, records, and minutes book are current, true, complete, and accurate in all respects.

## **7. Alteration of Share capital**

The Company has not at any time:

- (a) redeemed or repaid any share capital;
- (b) reduced its share capital or passed any resolution for the reduction of its share capital; and
- (c) given any financial assistance in relation to, acquired (directly or indirectly) or lent money on the security of the Securities or units of Securities in itself.

## **8. Dividends**

The details of the dividends declared by the Company since its incorporation are listed in the Disclosure Schedule.

## **9. Structure**

- (a) The capital structure of the Company is as follows:

The present authorised share capital of the Company is Rs. 20,20,60,000 (Rupees Twenty Crores Twenty Lakhs and Sixty Thousand Only) divided into 10,10,30,000 (Ten Crores Ten Lakhs Thirty Thousand) Equity Shares of Rs. 2 (Indian Rupees Two) each. The present issued, subscribed, and fully paid-up share capital of the Company is Rs. 15,55,91,000 consisting of 7,77,95,500 Equity Shares of Rs. 2 (Indian Rupees Two) each.

- (b) The capitalisation structure of the Company as on the Effective Date is as depicted in Schedule II of this Agreement.
- (c) The Company:
  - (i) is not the holder or beneficial owner of any shares or other capital in any body corporate, other than Artisan Spirits Private Limited;

- (ii) is the beneficial owner of one share held by nominee shareholder in Artisan Spirits Private Limited, its 100% subsidiary Company;
- (iii) is not a member of any partnership or other unincorporated association except those associations disclosed in the Disclosure Schedule; and
- (iv) is not the manager, trustee or representative of any trust or scheme.
- (d) No class of Securities, other than Equity Shares of the Company is authorized or issued or paid-up.
- (e) There are no outstanding options, warrants, rights, calls, commitments, conversion rights, rights of exchange, plans or other agreements of any character providing for the purchase, issuance or sale of any Securities of the Company except as disclosed in Schedule II (*Post Capitalisation Table*).

## **10. Solvency**

None of the following events have occurred in relation to the Company viz.

- (a) An application to a court for an order, or the making of any order, that it be wound up, that a liquidator or receiver be appointed or that it be placed in bankruptcy.
- (b) A resolution for winding up of the Company.
- (c) The convening of a meeting or passing of a resolution to appoint an official liquidator.
- (d) A scheme of arrangement or composition with, or reconstruction arrangement or assignment for the benefit of or other arrangement with all or a class of creditors.
- (e) The taking of any action to seize, take possession of or appoint a receiver and/or manager in respect of the Securities of the Company.
- (f) The taking of any action, which would render the Company 'defunct' under Act.
- (g) There exist no circumstance(s), which could give rise to any of the foregoing and no notices in this regard has been received by the Company.

## **11. Guarantees or Letters of comfort**

Other than disclosed in Disclosure Schedule, the Company has not provided any guarantee or letter of comfort or made any representation or given any undertaking to any Person in respect of the obligations or solvency of any Person or in support of or as an inducement to or otherwise in connection with the availing of financial assistance from any Person.

## **12. Financials**

- (a) The outstanding debt of the Company, including off-balance sheet contingent liabilities and agricultural debt provided on behalf of the Company by lenders/banks as on the Closing Accounts Date is as given in Disclosure Schedule.
- (b) Other than those disclosed in Disclosure Schedule, the Company has not advanced any sum to any Person.



- (c) The Company has not accepted any “deposits” (as the term is understood under the Act) from any Person.
- (d) The Company has delivered to the Verlinvest Group true and complete copies of the audited financial statements for the year ending March 31, 2017 and un-audited provisional accounts as of the period ending March 31, 2018.
- (e) The net debt of the Company as on the Closing Accounts Date is as set out under the Disclosure Schedule.
- (f) The financial statements have been prepared in accordance with Indian generally accepted accounting principles for FY 2017 and provisional unaudited financials will be prepared as per IND AS for FY 2018 which will truly and fairly present the financial position, assets and liabilities (whether accrued, absolute, contingent or otherwise) of the Company at the dates indicated. For the purposes of this clause, the reference to the “**Accounts**” shall mean the audited accounts of the Company for the year ended March 31, 2017 and reference to the “**Closing Accounts**” shall mean the un-audited accounts of the Company for the period ended March 31, 2018 and send to the Verlinvest Group. Any reference to the “**Accounts Date**” shall mean the March 31, 2017 and reference to the “**Closing Accounts Date**” shall mean March 31, 2018. The Accounts and the Closing Accounts are true and fairly present the financial position of the Company, on the dates of such accounts and the results of their operations on the applicable basis for the periods covered thereby. The Accounts and the Closing Accounts have been prepared in accordance with generally accepted accounting principles recommended by the Institute of Chartered Accountants of India and are true and fair in all respects so far as they are stated to be facts and not estimates and accordingly give a true and fair view of all the assets and liabilities (whether present or future, actual or contingent) and of the state of affairs, financial position as at and its income, expenses and results of its operations and that of the Company for the period up to the Accounts Date and the Closing Accounts Date. Without limiting the generality of the foregoing:
  - (i) the Accounts and the Closing Accounts show a true and fair view of (i) the assets, liabilities, financial position and state of affairs as at the Accounts Date and the Closing Accounts Date; and (ii) the income, expenses and results of its operations, profits and losses for the financial year ended on the Accounts Date and the Closing Accounts Date, of the Company;
  - (ii) the Accounts and the Closing Accounts have been prepared and audited in accordance with the requirements of the laws of India and any other Applicable Laws, the applicable accounting standards, principles and practices specified on the face of the Accounts and the Closing Accounts and the notes thereon and applied on a consistent basis and without revaluing upwards any assets during the period which is the subject of the Accounts and the Closing Accounts; and
  - (iii) the Accounts and the Closing Accounts make full provision or reserve for or disclose all liabilities (including all contingent or deferred liabilities or Taxes) of the Company, whether actual, contingent or otherwise except for liability relating to leases entered into by the Company. As of the Closing Accounts Date, the Company has no material liabilities of any nature, whether accrued, absolute, contingent or otherwise (including without limitation liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for Taxes), except liabilities stated or adequately provided for or reserved against or stated in the Accounts and/or the Closing Accounts. There is no fact as far as the Management Shareholders are aware in relation to the Company, which affects, or may in the future (so far as can now be

reasonably foreseen) affect, the business, assets, operations or condition of the Company on a consolidated basis.

- (g) All liabilities of the Company have either been discharged by the Company or have been adequately provided for in the books of accounts by the Company or have been disclosed in the books of accounts.

### **13. Business**

- a) The Company originally commence the business of manufacturing of wines in 1995 under the corporate name and trading style Samant Flora Ltd. and which has over the years pursuant to change of name / amalgamation of various named entities to the Present viz. Sula Vineyards Private Limited.
- b) The Company has subsequently diversified its business activities to providing entertainment and hospitality services to promote its wines and/or wine tourism.
- c) Save and except as disclosed in the Disclosure Schedule, (i) the property of the Company has been and remains in the possession or under the control of the Company; (ii) the Company has good title to all of its assets; (iii) the Company has not created any charge or an encumbrance over nor declared itself trustee of any of its properties or assets.
- d) No contract has been entered into or terminated or has expired which could reasonably be expected to have an adverse effect on the profitability of any business conducted by the Company.
- e) Save and except as disclosed in the Disclosure Schedule, the Company has not received any notice from any Governmental Authorities that could reasonably be expected to have a materially adverse effect on the Business conducted by the Company.
- f) The Company has not received any notice or threat for termination of a contract that could reasonably be expected to have a materially adverse effect on the Business conducted by the Company.
- g) No authorization, permit, license or registration from which the Company benefits has been terminated, or has expired which could reasonably be expected to have a materially adverse effect on the Business of the Company.
- h) Except as disclosed in Schedule II (*Post Capitalisation Table*), no Securities or other right convertible into Equity Shares or loan capital has been issued by the Company.
- i) The Company has not defaulted in paying any creditor *other than* in accordance with the general business practice.
- j) There has been no payment or satisfaction by the Company of any debt or liability of any Person other than in the ordinary course of business.
- k) The Company has not waived any debt owed to it.
- l) There exist no circumstance(s), which could give rise to any of the foregoing.

### **14. Powers of attorney**

- (a) Other than routine authorisations granted in the normal course of conducting the Business no extra-ordinary authorities have been issued in favour of any officer and/or employee to bind the Company.
- (b) No outstanding offer, tender, quotation or the like, given or made by the Company is capable of giving rise to a contract merely by any unilateral act of a third party or on terms calculated to yield a gross profit margin inconsistent with that usually obtained by the Company.
- (c) The Board of the Company is at present, authorized to borrow up to an amount not exceeding the limit prescribed under the Act and as approved by Board and Shareholders of the Company

and as per the Charter Documents of the Company and to that extent offer as security mortgage or charge over movable and immovable property of the Company.

## **15. Contracts and commitments**

Save and except as disclosed in the Disclosure Schedule:

- (a) The Company has not entered into any contracts or commitments which imposes or is likely to impose an obligation on the Company which requires the Company to share profits or pay any royalties, other than payment of royalties annually Bosco S.P.A. pursuant to an agreement.
- (b) The Company has not terminated, violated or done or agreed to do anything which might result in a breach of any of the terms and conditions of any agreement, arrangement or contract entered into by the Company.
- (c) As on the Effective Date, there are no discussions or negotiation entered into by the Company in relation to issuance of any Securities to any Person.
- (d) The Disclosure Schedule sets forth a list of all contracts having a value of more than INR 1,000,000 (Indian Rupees One Million only) and copies of which have previously been furnished to Verlinvest Group. The commercial terms of certain of such contracts have been modified or amended to suit business exigency from time to time. Other than in the ordinary course of its business, no verbal representations, warranties or assurances binding on the Company have been given with respect to any such contract. No contract was entered into outside the ordinary course of business or contains any provisions that could reasonably be expected to impair or adversely affect the Business. Each of the contracts (other than contracts that have expired in accordance with their terms) is in full force and effect and is the valid and legally binding obligation of the Company and the other parties thereto, enforceable in accordance with its terms. Neither the Company nor any other party is in material default under any of the contracts, and no event has occurred which, with the passage of time or the giving of notice or both, would constitute a material default thereunder. The Company or Promoter (as the case may be) has no Knowledge of any pending or threatened cancellation, revocation or termination of any of the contracts, nor, is the Company aware of any facts or circumstances, which could reasonably be expected to lead to any such cancellation, revocation or termination.
- (e) With respect to each customer contract having a value of above INR 1,000,000 (Indian Rupees One Million only), the services to be performed thereunder have been completed in accordance with their terms (including, without limitation, with respect to, time and budget) and without material default. The Company has not provided any services or failed to provide any services under any customer contract, which could lead to any valid and enforceable material claim under such contract.
- (f) The Company shall in the normal course of its Business honor its commitments under the various contracts it has entered into and with a view to not violating/defaulting their terms and conditions which otherwise would result in their termination. To the best of Knowledge of the Company or the Promoter (as the case may be), neither the Company nor any of its employees or consultants is a party to any agreement which would restrict or inhibit the Company from engaging in the Business, except for covenants in favor of the Company and/or secrecy, confidentiality, non- compete or the subject thereof. The Company is not a party to any joint venture, partnership or similar arrangement. The Company has not provided any services or

failed to provide any services under any contracts to which it is a party in any manner, which could lead to any material claim under any contract.

- (g) The Company has not entered into any contract or any transaction with any related party which is not on arms' length basis.

## **16. Assets**

All significant moveable and immovable properties of the Company are disclosed in the Disclosure Schedule. Without prejudice to the above,

- (a) Other than disclosed in the Disclosure Schedule, no real estate property of the Company is at present subject matter of any legal proceedings.
- (b) Other than disclosed in Disclosure Schedule, the Company has not taken any other properties on lease and/or leave and license.
- (c) Other than disclosed in the Disclosure Schedule, the Company has (i) a valid, good, marketable title to, and is in vacant physical possession of and is the legal and beneficial owner of each of the immovable properties of the Company; (ii) the immovable properties are held free from Encumbrances of any nature whatsoever, and (iii) no third party has any claim of any nature whatsoever on any of the immovable properties of the Company nor has the Company entered into any agreement for sale or disposal of any immovable properties or any part thereof.
- (d) The Disclosure Schedule provides relevant details of various lease and/or leave and license agreements the Company has entered into with respect to office premises/guest houses. The Company is honoring the terms and conditions of the same.
- (e) Save and except as disclosed in the Disclosure Schedule, all governmental levies and duties, including any stamp duties as may be applicable on the agreements entered into by the Company relating to immovable properties have been duly paid.

## **17. Intellectual Property Rights**

- (a) The list of all trademarks and copyrights owned by the Company, which trademarks and copyrights of the Company (whether Indian or foreign) are duly registered is provided in the Disclosure Schedule; and the Company has in its possession all registration certificates with respect to such trademarks and copyrights, other than such registration certificates as are pending upon an application having being made.
- (b) Other than disclosed in the Disclosure Schedule, no litigation or claims is pending or initiated by or against the Company with respect to any intellectual property rights or industrial property rights.
- (c) The Company is not a licensee or registered user of any third party intellectual or industrial property rights, apart from third party software as required in the normal course of business and the Company does not use or infringe any patents, trademarks, registered designs, registered business names, copyrights or other industrial property rights belonging to any third party.
- (d) The Company has not granted to any person licenses or other rights over the intellectual property rights of the Company.

- (e) No third party is making or threatening to make or has made or threatened to make, any use or exploitation without the license of the Company, or any claim or challenge in relation to any intellectual property rights owned, used, licensed to, or exploited by, the Company or in which the Company holds any interest.
- (f) No act has been done or has been omitted to be done which would entitle any authority or person to cancel, forfeit or modify any of the intellectual property rights belonging to or used by Company.
- (g) Each of the employees, agents, consultants or contractors of the Company who have contributed to or participated in the creation or development of any copyrightable, patentable or trade secret material, is work-for-hire under which the Company or its customers, as the case may be, is the original owner/author of all property rights therein.
- (h) The Company has taken reasonable security measures to protect the secrecy, confidentiality and value of its trade secrets.

## **18. Insurance**

- (a) The list of all the insurance policies maintained by the Company is provided in the Disclosure Schedule.
- (b) The Company has taken out and maintains all insurance policies relating to the assets, properties, business, operations, employees, officers or directors of the Company that are required under law along with all insurance policies that may be reasonably expected to be taken out and maintained by a business of the nature and size of that of the Company.
- (c) The Company has duly paid all premiums, which are required to be paid by it with respect to the aforementioned policies, and there exists no grounds for non-renewal of any of the aforementioned policies or to the best Knowledge of the Company or the Promoter (as the case may be) for denial of any insurance claim by the Company.

## **19. Employees**

- (a) The list of the names and designations of all Persons under the employment of the Company as on the Effective Date is provided in the Disclosure Schedule.
- (b) No amount is due to or in respect of any employee or former employee of the Company is in arrears and unpaid and all such payments have been made on a timely basis.
- (c) The Company does not have any trade union of its employees.
- (d) The Company is not involved in and there are no present circumstances which are likely to give rise to any labour, industrial or trade dispute or any dispute or negotiation regarding a claim of importance with any employees, worker or association of trade unions or organisation or body of employees.
- (e) No employee of the Company:
  - (i) has been given an unexpired notice terminating his contract of employment as on the Effective Date;
  - (ii) except as disclosed under Schedule II (*Post Capitalisation Table*) has been offered any employee stock option;

- (iii) has any share in the profit or revenue of the Company;
- (iv) is under notice of dismissal; or
- (v) has been terminated in circumstances that may give rise to a claim against the Company in relation to loss of office or termination of employment (including, without limitation, redundancy).
- (f) The Company is not in material breach of any law or authorisation relating to the health or safety of its employees and has made all payments and obtained all permits, licenses and government authorisations required under the Applicable Laws, including without limitation, Payment of Gratuity Act 1972, Employees Provident Fund and Miscellaneous Provisions Act, 1952, and the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970 and the Minimum Wages Act, 1948, etc.

## **20. Compliance with laws**

To the best Knowledge of the Company or the Promoter (as the case may be), the Company has complied with all the Applicable Laws, including labour laws and regulations applicable to the Business of the Company. To the best Knowledge of the Company or the Promoter (as the case may be), the Company has not, and none of its officers, agents or employees, has/have committed or omitted to do any act or thing the commission or omission of which is in contravention of any legislation.

## **21. Litigation**

Other than disclosed in the Disclosure Schedule.

- (a) there are no actions, suits, proceedings, claims, show-causes or investigations pending, or threatened against or affecting the Company, at law or in equity, before any court, quasi-judicial authority, arbitrator or arbitral tribunal, Governmental Authority, and the Company is not in default of any order, writ, injunction or decree of any court or other Governmental Authority.
- (b) the Company is not a party to or subject to any judgment, order or decree in any action or proceeding brought by any Governmental Authority or any other party enjoining it in respect of, or the effect of which is to limit, restrict, regulate or prohibit any business practice or the conduct of day to day business of the Company.
- (c) there are no actions, suits, proceedings or claims pending or threatened against the Company or the Promoter with respect to or in any manner affecting the ownership of the assets of the Company.
- (d) neither the Company nor any Person for whom it may be vicariously liable, is or has been engaged in any prosecution, litigation, arbitration proceedings or administrative or governmental investigation or challenge as plaintiff, defendant, or in any other capacity whether in India or outside India.
- (e) the Company has not received any information or show cause notice regarding any impending litigation, arbitration proceedings, and administrative or governmental investigation except for those disclosed in the Disclosure Schedule.
- (f) no notice has so far been served upon the Company for imposing any charges, fines, levies, and penalties by any government or regulatory authority.

- (g) there exist no circumstance(s), which could give rise to any of the foregoing.

## **22. Confidentiality**

No disclosure has been made to any Person of any material confidential information of the Company except in the ordinary and proper course of business of the Company and on receipt of an undertaking to keep the information confidential as entered into with employees and advisors.

## **23. Taxation**

- (a) Other than what is disclosed in the Disclosure Schedule, since the date of incorporation of the Company, the Company has paid all Taxes and no liability for Tax has accrued to the Company.
- (b) All Tax Returns and other notices, computations and returns which ought to have been given or made, have been properly and duly submitted by the Company to the relevant Taxation authorities and all such Tax returns and other information, notices, computations and returns submitted to such authorities are true, accurate and complete and are not the subject of any dispute nor, to the best of the Knowledge of the Company or the Promoter (as the case may be), are likely to become the subject of any dispute with such authorities. All records which the Company is required to keep for Taxation purposes or which would be needed to substantiate any claim made or position taken in relation to Taxation by the Company, have been duly kept and are available for inspection at the Company's premises.
- (c) Other than what is disclosed in the Disclosure Schedule, there is no unresolved/pending correspondence or dispute with any public authority. No fiscal authority has at any time carried out, or is at present conducting any investigation into all or any part of the business or affairs of the Company.
- (d) To the best Knowledge of the Company or the Promoter (as the case may be), other than those provided in the Disclosure Schedule, there are no actions, suits, proceedings, investigations, audits or claims now pending in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Authority relating to Taxes.
- (e) The Company has duly and timely withheld applicable withholding Taxes on amounts paid or credited by it to or for the account or benefit of any Person, including, without limitation to, any of its employees, officers and directors and any non-resident person and has duly and timely remitted same to the appropriate Governmental Authority.
- (f) The Company has made provisions for payment of any Tax that is payable or which the Company might be liable to pay and represents that there are no liens for Taxes on the assets of the Company.
- (g) The Company is in possession of a valid certificate of entitlement for availing sales Tax incentives under the Package Scheme of Incentive 1993 (Scheme) of the Government of Maharashtra.
- (h) The Company has maintained and obtained at all times complete, correct and up to date records, invoices and other documents (as the case may be) appropriate or requisite for the purposes of applicable Tax laws and has preserved such records, invoices and other documents in such form and for such periods as are required by applicable Tax laws.

- (i) All transactions between the Company and any current or past related parties (as the term has been defined under the Act), associated enterprises, local affiliates or any third party, have been and are on fully arm's length terms. There are no circumstances which could cause any tax authority to make any adjustment for tax purposes, or require any such adjustment to be made, to the terms on which any such transaction is treated as taking place, and no such adjustment has been made, threatened or attempted in fact.
- (i) No transaction in respect of which any consent, ruling, confirmation or clearance (each a ruling) was required or sought from any Tax authority has been entered into or carried out by the Company without such ruling having first been properly obtained and all information supplied to any Tax authority in connection with any such ruling fully and accurately disclosed all facts and circumstances material to the giving of such ruling. Any transaction for which such ruling was obtained has been carried out only in accordance with the terms of such ruling and the application on which the ruling was based and at a time when such ruling was valid and effective. No facts or circumstances have arisen since any such ruling was obtained which would cause the ruling to become invalid or ineffective.
- (k) The Company is not liable for any Tax as the agent of any other person or business or constitutes a permanent establishment of any other person, business or enterprise for any tax purpose.
- (l) The Company has not entered into or been a party to any scheme or arrangement containing one or more steps which have (i) no commercial purpose or (ii) for the avoidance of Tax or reducing or deferring Taxation.
- (m) The Company, if so required, is registered for the purposes of Tax, has been so registered at all times that it has been required to be registered by applicable Tax laws, and such registration is not subject to any conditions imposed by or agreed with any relevant Tax authority;
- (n) The Company obtains appropriate credit for all input tax paid or suffered by it;
- (o) All indirect Tax benefits/ exemptions have been correctly availed by the Company per the laws applicable in force. No liability accrues on the Company on account of wrongful availment of any indirect Tax exemption/ concession or against any claim of unjust enrichment.
- (p) The Company has paid all applicable indirect Taxes such as excise duty, value added tax, sales tax, goods and services tax, etc. at the correct rates and on the correct value. Further, the indirect Tax positions adopted by the Company are in accordance with the relevant indirect Tax laws.

## **24. Environmental Laws**

To the best Knowledge of the Company or the Promoter (as the case may be),

- (a) The terms and conditions of all Environmental Consents in relation to the wineries and the requirements of all Environmental Laws have been substantially complied with by the Company.
- (b) All Environmental Consents obtained by the Company are in full force and effect.
- (c) There are no facts or circumstances existing indicating that any Environmental Consents would or might be revoked or not renewed or varied in any material respects.



- (d) There is no land at the wineries occupied or used by the Company in connection with the wineries which contains any underground storage tanks the presence of which constitutes a breach of Environmental Laws and/or Environmental Consents.
- (e) There is no civil, criminal or administrative action, or other proceedings or suit pending or threatened in each case under Environmental Laws in connection with the Company or any assets.
- (f) The Company is not in breach of any Environmental Laws to an extent which has or may have a material adverse effect on the Company's ability to conduct its Business.

For the purposes of this clause, “**Environmental Laws**” shall mean any law, whether by statute, regulation, order, decree or judgement (but excluding common law) as may be in effect or legally enforceable at any time by any court or governmental agency or authority in India which concerns the pollution, protection, conservation, remediation or decontamination of the environment including but not limited to The Environment (Protection) Act 1986, the Air (Prevention and Control of Pollution) Act 1981 and The Water (Prevention and Control of Pollution) Act 1974 and rules framed under the aforesaid; and “**Environmental Consents**” means all permits, consents and other authorizations, required under any Environmental Laws for the operation of the winery or the occupation or use of the winery as on the Effective Date.

## **25. Licences**

- (a) The terms and conditions of all Permits in relation to the Company have been substantially complied with.
  - (i) All Permits obtained by the Company are in full force and effect.
  - (ii) There are no facts or circumstances existing indicating that any Permits would or might be revoked or not renewed or varied in any material respects.
- (b) To the best Knowledge of the Company or the Promoter (as the case may be), the Company has obtained all necessary Permits which are required by it to lawfully operate the Business.
- (c) The Company has not committed any material breach of any such Permits.
- (d) The Business is conducted in all material respects in accordance with all Applicable Laws and no allegation of any material contravention of any Applicable Law has been notified to the Company.

For the purposes of this clause, “**Permits**” means all approvals, registrations, permits, consents, licenses and authorizations issued or granted by Governmental Authorities to the Company and which are required to operate the Business, including without limitation excise licenses, export promotion capital goods licenses, factory license, etc. but excluding Environmental Consents and sales Tax.

## **26. Employee Benefit Plans**

- (a) All the employee benefit plans granted by the Company to its employees in respect of gratuity and super annuation benefits are as contained in the Disclosure Schedule herein.
- (b) The Company confirms that the financial statements provide for all amounts due and payable by the Company to the employees in respect of such benefit plans and that there has been no

change in the terms and conditions of such plans, other than as disclosed. Any plan, contract or understanding providing for bonuses, pensions, with respect to any present or former officer, director or employee of the Company have been properly funded and or there is no outstanding claim or complaint (including, without limitation, any claim resulting from a bonus arrangement).

- (c) The Company is in compliance, in all material respects, with all applicable provisions, whether contractual, customary or otherwise, of Applicable Laws relating to the employees, and their terms and conditions of employment. Except as disclosed in the Disclosure Schedule, the Company has no employee benefit plan and the execution of this Agreement shall not obligate the Company to pay separation, severance, termination or similar benefits, and no individual shall accrue or receive any additional benefits, service or accelerated rights to payments of benefits.

## **27. Borrowings**

The Disclosure Schedule contains the total outstanding borrowings of the Company as on the Closing Accounts Date together with commercial terms in relation thereto. Apart from the above, the Company has not borrowed money from any other Person or entity. The Disclosure Schedule also contains details of the guarantees offered by the Company including guarantees offered for the benefit of third parties.

## **28. Shareholder and Director Loans**

The Company confirms that no amounts are due to the Shareholder and/or Director of the Company except for those appearing in the audited annual accounts of the Company and all the other amounts due by the Company to them have been paid in full by the Company.

## **29. Execution and Performance**

The execution and performance of this Agreement shall not result in (a) the Company being deprived of any right, claim, advantage, benefit, or privilege that the Company otherwise has or (b) be subject to any liability that the Company is otherwise not subject to or (c) accelerate any liability that the Company is subject to or (d) postpone the right or ability of the Company to enforce any right, claim, advantage, benefit or privilege. In particular, but without prejudice to the generality of the above, the execution and performance of this Agreement shall not result in:

- (i) Employees, consultants, vendors, service providers, customers or other Persons being entitled to make any claim including but not limited to claims for bonus, stock options or otherwise.
- (ii) Any Person being entitled to terminate any contractual arrangement or seek additional compensation for services or seek reduction in compensation for services being rendered by the Company.

## **30. Absence of Material Effect**

For the period from the Accounts Date till the Effective Date, the Company has conducted its Business in the ordinary course of business consistent with past practices. Without limiting the generality of the foregoing, and as otherwise contemplated by this Agreement, from the Accounts Date till the Effective Date, the Company has not:

- a) incurred any liabilities other than liabilities incurred in the ordinary course of business consistent with past practice, or discharged or satisfied any Encumbrance, or paid any liability, other than the payment of any liabilities in the ordinary course of business consistent with past practice or failed to pay or discharge when due any liabilities of which the failure to pay or discharge has caused or will cause any material damage or risk of material loss to it or any of its assets or properties;
- b) suffered any damage, destruction or loss of physical property or goods resulting in costs or expenses to the Company in excess of INR 1,000,000 (Indian Rupees One Million only) whether or not covered by insurance;
- c) created, incurred, assumed or guaranteed any indebtedness or subjected to any Encumbrance any of its assets or properties, whether tangible or intangible;
- d) sold, assigned or transferred any of its movable assets or properties or cancelled or compromised any of its liabilities in excess of INR 10,000,000 (Indian Rupees Ten Million only);
- e) sold, assigned or transferred any of its immovable assets or properties or cancelled or compromised any of its liabilities in excess of INR 50,000,000 (Indian Rupees Fifty Million only);
- f) made any capital expenditures or capital additions or betterments in excess of an aggregate of INR 10,000,000 (Indian Rupees Ten Million only) except as disclosed in the Disclosure Schedule;
- g) revalued any of its assets, except Heritage assets which has been accounted in our books at fair value;
- h) made or suffered any amendment or termination of any material contract or waived any substantial debts or claims held by it or waived any rights of value exceeding INR 10,000,000 (Indian Rupees Ten Million only);
- i) repurchased or redeemed any Equity Shares or other Securities issued by it;
- j) other than in the normal course of business, and consistent with past practice, increased the salaries or other compensation of, or made any advance or loan to, any officer, director or employee of the Company, or provided any employee with any increased security or tenure of employment, or increased the amounts payable to any employee upon the termination of any such Person's employment;
- k) adopted, amended or revised the terms of any benefit plan with respect to the benefit granted to or for the benefit of any of the present or former employees of the Company there under, other than as required by Applicable Laws;
- l) received notice or had knowledge of any actual or threatened labor trouble, strike or other occurrence, event or condition of any similar character;
- m) made or accepted any amendment, termination, waiver, disposal, or lapse of, or has not failed to preserve, any material license, permit, consent, permission or other form of authorization of the Company;

- n) entered into any transaction or arrangement under which the Company paid, lent, or advanced any amount to or in respect of, or sold, transferred, hired or leased any of its assets or any services to, any business or other Person (i) in which the Company or any of its Affiliates has any material interest, or (ii) involving a sum exceeding INR 50,000,000 (Indian Rupees Fifty Million only);
- o) entered into any transaction which has given rise or shall give rise to a liability to Taxation above INR 1,000,000 (Indian Rupees One Million only) (or would have done so or would or might do so but for the availability of any relief, allowance, deduction or credit) other than Taxation arising from transactions entered into in the ordinary course of business;
- p) released any debtor on terms that he pays less than the book value of any debt and no debt has been written off or has proved to be irrecoverable to any extent;
- q) passed any resolution in a general meeting of the Company other than in the ordinary course of business;
- r) With effect from April 1, 2017 the company has adopted IND AS;
- s) released any provision exceeding INR 1,000,000 (Indian Rupees One Million only) in the audited accounts;
- t) incurred any liability in an aggregate amount exceeding INR 1,000,000 (Indian Rupees One Million only) in respect of redundancy or severance payments in respect of any employee;
- u) been refused any insurance claims or settled below the amount claimed; or
- v) entered into any agreement to do any of the foregoing.

**SCHEDULE V**  
**DISCLOSURE SCHEDULE**

The clause numbers of this Disclosure Schedule refer to the relevant representations and warranties under Schedule IV, against which such disclosures are provided.

**1. Reports:**

1. M/s. GIA (Sula) Holdings Limited has conducted a financial due diligence and legal due diligence through their consultants, M/s. Axis India Private Limited and M/s Trilegal in the year 2005, however these reports and the findings therein have not been shared with New Investors as this report was the confidential documents of GIA and was not available with the Company.
2. M/s. Indivision Ventures I has conducted financial due diligence and legal due diligence through their consultants, M/s. Axis India Private Limited and M/s Trilegal in the year 2007, however these reports and the findings therein have not been shared with New Investors as this report was confidential documents of Indivision and was not available with the Company.
3. M/s. Verlinvest S.A. has conducted financial due diligence and legal due diligence through their consultants, M/s. E&Y and M/s Trilegal in the year 2010, however these reports and the findings therein have not been shared with New Investors as this report was confidential documents of Verlinvest and was not available with the Company.
4. Consequent to the amalgamation of Samant Soma Wines Private Limited with the Company, land and building owned by erstwhile Samant Soma Wines Private Limited have been valued for the purpose of determining stamp duty under the Bombay Stamp Act, 1958, however, this report has not been shared with the New Investors.
5. The Company has conducted Vendor due diligence through their consultants KPMG in the year 2013 -14 and copy of the report has been shared with M/s. Visvires.
6. M/s. Visvires has conducted financial due diligence and legal due diligence through their consultants, KPMG and M/s Bharucha & Partners in the year 2013-14.

**7. Dividend:**

The details of the dividends declared by the Company since its incorporation:

<b>Particulars</b>	<b>FY15 - Final Dividend</b>	<b>FY16 – Interim Dividend No final dividend paid</b>	<b>FY 17 – Final Dividend</b>	<b>FY 18 – Final Interim Dividend</b>	<b>FY 18 – Final Dividend</b>
Date of declaration	9 <sup>th</sup> Sept, 2015 (at AGM)	15 <sup>th</sup> March, 2016 (at BM)	25 <sup>th</sup> Sept, 2017 (at AGM)	23 <sup>rd</sup> May, 2018 (at BM)	25 <sup>th</sup> Sept, 2018 (at AGM)
Dividend per share	Rs. 0.50	Rs. 2	Rs. 2	Rs. 2.50	Rs. 2.50
Total no. of Shares	1,46,79,733 Shares	1,46,85,733 shares	1,47,05,733 shares	1,47,65,733 shares	1,49,20,324 shares

## 8. Structure:

Clause 8 (c)(ii)

1. Company is a member of the following associations: -
  - i) Confederation of Indian Industry
  - ii) All India Wine Producers Association
  - iii) Sedex | Empowering Ethical Supply Chains

Clause 8 (e)

Refer Schedule II (*Post Capitalisation Table*) for the details

## 9. Guarantees or letters of comfort: -

1. The company has given a corporate guarantee to Union Bank of India for the agricultural loans of identified grape farmers for an amount not exceeding Rs.150 lakhs.
2. The company has given bank guarantees to excise authorities for Rs.32.68 lakhs
3. The company has given bank guarantees to customs authorities for Rs.886.86 lakhs

## 10. Financials:

Clause 10 (a)

The outstanding debt of the company, including off balance sheet contingent liability is given below (Provisional unaudited as at 31<sup>st</sup> March, 2018 Rs. in Lakhs):

<u>Nature of Debt/Liability</u>	<u>SVPL</u>	<u>ASPL</u>
<u>On Balance Sheet</u>		
Term Loans	3215.04	-
WCDL	16341.30	450.00
Security Deposits	267.00	5.00
Yes Bank Agri Loan	2336.41	-
Total	22159.75	455.00

### Off Balance Sheet

Export Obligation under EPCG	1037.00	
Custom and Excise and other Authorities	991.14	
Additional Bonus Liabilities for FY2014-15	10.05	
Maharashtra State Excise Dept.	1999.61	
Corporate Guarantee for grape procurement	150.00	
Contingent Liability (PF)	92.21	
	-----	-----
Total	4280.01	-
	=====	=====
<u>Grand Total</u>	<u>26439.76</u>	<u>455.00</u>

### Clause 10 (b)

1. Loans and advances advanced (*provisional unaudited*) by the company are given below :

Nature of loans and advances As at 31 <sup>st</sup> March, 2018	Amount (Rs. Lakhs)	
	SVPL	ASPL
Advances to suppliers and expenses	3943.04	1895.36
Capital advances	697.05	-
Loans & Advances to employees	281.78	1.46
VAT/subsidy receivable	4861.44	-
Deposits	271.60	120.33
	-----	-----
TOTAL	10054.91	2017.15
	=====	=====

Clause 10 (e): The *provisional unaudited* net debt as at 31<sup>st</sup> March 2018 are as below.

Long Term Debt	3215.04	3304.01 (Including ST deferment)
Short Term Debt	16791.30	16791.30
Agri Loan	2336.41	2336.41
	-----	-----
Total Debt	22432.75	22431.72
	-----	-----
Cash & Bank Balance	1867.13	1867.13
	-----	-----
Net Debt	20565.62	20564.59
	=====	=====

### **11. Business:**

Clause 11 (c) –

The company has created charges on its assets for the purposes of term loans and working capital loans. The same is duly reflected in the register of charges.

Clause 11 (h) –

Refer Schedule II (*Post Capitalisation Table*) for details

## 12. Contracts and commitments: -

1. The Company, in normal course of business, has entered into the following contracts:

### A. Key Contracts

Sr. No.	Name of the Party	Term	Period of Agreement	
			From	To
1	Asahi Breweries Ltd.	1 year	1 <sup>st</sup> Jan, 2018	31 <sup>st</sup> Dec, 2018
2	Vina Cono Sur SA	7 years	1 <sup>st</sup> Mar, 2011	28 <sup>th</sup> Feb, 2018
3	Boisset Famille Des Grands Vins	3 years	1 <sup>st</sup> Apr, 2015	31 <sup>st</sup> Mar, 2018
4	Remy Cointreau International Pte. Ltd.	1 year	1 <sup>st</sup> Apr, 2017	31 <sup>st</sup> Mar, 2018
5	Ferrari F.lli Lunelli S.p.A.	1.5 years	1 <sup>st</sup> Nov, 2016	31 <sup>st</sup> Mar, 2018
6	Gruppo Italiano Vini S.p.A.	18 months	10 <sup>th</sup> Jul, 2017	31 <sup>st</sup> Dec, 2018
7	Accolade wines	4 years	1 <sup>st</sup> Mar, 2015	31 <sup>st</sup> Mar, 2019
8	Antiche Distillerie Riunite Srl	3 years	12 <sup>th</sup> Jul, 2016	11 <sup>th</sup> Jul, 2019
9	Engarraamento Pitu LTDA	3 years	12 <sup>th</sup> Jul, 2016	11 <sup>th</sup> Jul, 2019
10	Productos Finos De Agave, S.A DE C.V	3 years	18 <sup>th</sup> Jul, 2016	17 <sup>th</sup> Jul, 2019
11	CIN Medocaine	23 months	1 <sup>st</sup> May, 2017	31 <sup>st</sup> Mar, 2019
12	Beluga	2 years	1 <sup>st</sup> Aug, 2017	31 <sup>st</sup> Dec, 2019
13	Distillerie Girard	3 years	12 <sup>th</sup> Jul, 2017	11 <sup>th</sup> July, 2020
14	Grupo Penaflor S.A. (Trapiche)	4 years	1 <sup>st</sup> Sep, 2016	31 <sup>st</sup> Aug, 2020
15	Les Celliers Jean d'Alibert	5 years	1 <sup>st</sup> Jun, 2016	31 <sup>st</sup> May, 2022

- i. Consultancy Agreements with  
Mr. Kerry Damskey and Terroirs, Inc. for advice on wine making;  
Mr. Steven Gerard Brunato for advice on vineyard operations.
- ii. Employment Agreements with  
  
Mr. Kenneth Ernest David Pritchard – Senior Vice President.
- iii. The Company has entered in to Leave and License Agreements with Mr. Aditya Parakh for Sky Villa and Beyond Resort which are located in Nashik.
- iv. Grape Purchase Agreements.
- v. The contract with the CEO & Managing Director executed on 25<sup>th</sup> August, 2009 and supplemental contract executed on 20<sup>th</sup> May, 2015.



**B. General**

- i. Distribution Agreements for supply of domestic brands.
- ii. Brand Promotion Agreements for promotion and supply of domestic brands to corporations.
- iii. Bond Distribution Agreements for providing clearing and forwarding services for domestic brands.
- iv. Agreements for scheduling events to promote BIO and domestic brands.
- v. Sponsor, Artist, F&B Vendor Agreements for the annual event Sulafest.
- vi. Leave and License Agreements for office premises at several locations in India.

**13. Assets:**

1. Pursuant to the Agreement for Transfer of Business dated 19<sup>th</sup> May 2017 (“BTA”), the Company has acquired the business of Heritage Grape Winery Pvt. Ltd., Bangalore.
2. Pursuant to the BTA, a Deed of Sale dated 28<sup>th</sup> October, 2017 has been executed by and between Smt. M. Leelavathi and 10 others and the Company, to acquire 12 Acres 13 Guntha agricultural land at Channapatna Taluk, Ramanagar District.
3. The Company has entered in to an Agreement for Sale dated 12<sup>th</sup> March, 2015 to acquire office premises in Hubtown Solaris.
4. The Company has entered in to Sale Deeds / Agreement for Sale for acquiring various lands at Govardhan, Nigdol and Javulke Wani villages.

All movable and immovable properties are hypothecated with The Saraswat Co-operative Bank, HDFC Bank Limited, Kotak Mahindra Ltd, Citi Bank Ltd, and Yes Bank Ltd as a security for term loans and working capital finance and is duly reflected in the register of charges.

**14. Intellectual property rights:**

Clause 14(a)

**Trademarks**

The Company has sought and obtained trademark registration for its various trade/service marks in the relevant classes in and outside India and in particular for its trading name and style viz. “SULA”, “SULA VINEYARDS” and the sun logo.

The Company has made application for seeking registration of Trademark and are pending.

**Copyright**

The Company has sought and obtained copyright registration for its various artistic and literary work in India.

The Company has made application for seeking registration of Trademark and are pending.

## Design

The Company has sought and obtained registration for the shape and configuration of Bottle.

## Domain Names

The Company has sought and obtained registration for its various domain names.

## 15. Insurance

### List of Insurance Policies

#### Mumbai H.O.

<i>Sr. No</i>	<i>Assets</i>	<i>Policy Type</i>	<i>Policy No.</i>	<i>Sum Insured Rs. (₹)</i>	<i>Period (From-To)</i>	
1	Domestic & Import Cover for Consignment	Domestic Consignment	2017-C1530723-MLO	500,00,00,000	1-Apr-17	31-Mar-18
2	Personal accident of Employees(Including RS)	Group Personal accident	00109300201300	25,93,00,000	28-July-17	27-July-18
3	Fixed asset and Stock – PAN India	Fire & Special Perils Policy	F0243329	400,41,13,022	1-Mar-17	28-Feb-18
4	Guest House at Nashik(SSWPL)	Household Policy	2018-F0462502-HOM	28,55,520	22-Jan-18	21-Jan-19
5	Commercial General Liability	CGL Insurance	2016-L0084205-CGL	12,00,00,000	2-Nov-17	1-Nov-18
6	Money Insurance	Money Insurance	2016-M0426535-FMY	1,82,00,000	19-Dec-17	18-Dec-18

<i>Sr. No</i>	<i>Assets</i>	<i>Policy Type</i>	<i>Policy No.</i>	<i>Sum Insured Rs. (₹)</i>	<i>Period (From-To)</i>	
7	Group Gratuity Scheme (LIC)	Group Gratuity Scheme of LIC	GGCA/70 0741	as per valuation	Effective from 01-Jan-2008 and continuous till date	
8	Keyman	Keyman Insurance Policy	Policy Under Process	100,000,000		
9	Directors & Officers Liability	D & O Liability	41030899	10,00,00,000	29-Jan-18	28-Feb-19
10	Burglary & Housebreaking Policy	Burglary & Housebreaking Policy (Business Premises)	2018-B0088078 -FBG	18,27,312,893	1-Mar-18	28-Feb-19
11	Employees compensation Policy	Accident and mediclaim winery staff	2200137197	As per law	30-Aug-17	29-Aug-18
12	Raasta Aapatti Kavach	Personal Accident winery staff	OG-18-2003-9902-00000069	10,68,00,000	06-Dec-17	05-Dec-18
13	Group Mediclaim	Mediclaim for HO + ROI employees	2999201176192701000		6-Sept-17	5-Sept-18
14	Vehicle insurance (PAN India)	Vehicle	As per IRDA requirement			
15	Event Insurance	Sulafest and New Year Party	As per events held			

## 16. Employees: -

Clause 16 (a)

The organization chart of the Company with the names and designations of all employees from chief executive officer to the level of General Managers who are, as on 31 March 2018 under the employment of the Company is attached to this Disclosure Schedule II separately.

Total manpower strength as on 31<sup>st</sup> March, 2018.

<b>Particulars</b>	<b>Total</b>
Permanent Employees	775
Temporary	325
Trainees	81
<b>Total</b>	<b>1181</b>

<b><u>Location wise (Permanent)</u></b>	<b>Total</b>
Mumbai	143
Nashik / DD	426
Rest of Maharashtra	61
<b>Total in Maharashtra</b>	<b>630</b>
<b>Rest of India:</b>	
Andhra Pradesh	3
Assam	1
Chandigarh	2
Chhattisgarh	1
Cochin	1
Chanapatna / H Winery	27
Daman & Diu	1
Delhi	20
Goa	15
Haryana	2
Himachal Pradesh	2
Jammu & Kashmir	1
Jharkhand	1
Karnataka	16
Kerala	5
Madhya Pradesh	3
Meghalaya	1
Orissa	2
Puducherry	3
Punjab	1
Rajasthan	7
Tamil Nadu	4
Telangana	8
Uttar Pradesh	4
Uttarakhand	2
West Bengal	12
<b>Total ROI</b>	<b>145</b>
<b>TOTAL</b>	<b>775</b>

<b><u>Function wise Permanent:</u></b>	<b>Total</b>
CEO	1
COO	1
CEO's Office	4
Finance & Accounts	48
Hospitality	93
HR	3
HR & Administration	29
IT	5
IT - SAP	3
Legal & Compliance	7
Maintenance	34
Marketing	34
Production	101
Sales	217
Sales Analytics	4
Secretarial	3
Procurement & Stores	19
Utility	51
Vineyard Operations	41
Winemaking & QC	77
<b>TOTAL</b>	<b>775</b>

Clause 16 (e) (ii): -

Refer Schedule II (*Post Capitalisation Table*) for details

#### **17. Compliance with laws:**

To the best of the Company's Knowledge, the Company has complied with all the Applicable Laws, including labour laws and regulations applicable to the Business of the Company. To the best of the Company's Knowledge, the Company has not, and none of its officers, agents or employees, has/have committed or omitted to do any act or thing the commission or omission of which is in contravention of any legislation.

#### **18. Litigation –**

- 18.1. Pursuant to the order of Supreme Court dated 11<sup>th</sup> September 2013, the Collector, State Excise, Nashik is rehearing the matter relating to the alleged non-payment of excise duty of Rs.19.99 crores for the period from the date of BRL license upto 31<sup>st</sup> December 2008 (unjust enrichment). The same is pending final hearing and order. In the event the liability is confirmed by the State Excise, Nashik, the Company may also be liable towards interest and penalties as may be imposed.

- 18.2 The Company had received a demand notice dated 17<sup>th</sup> February 2018 from the Collector, State Excise, Nashik alleging non-payment of excise duty for the period 1<sup>st</sup> April 2004 to 31<sup>st</sup> March 2014 for a sum of Rs.115.90 crores on account of blending of wines. The Company had filed a writ petition before the Bombay High Court challenging the legality of such demand notice. Such writ petition has on the basis of assurances received from the State Government of Maharashtra (to re-examine the present anomaly concerning blending) been withdrawn. The Company has at the behest of the State Government of Maharashtra instead filed an Appeal before the Commissioner, the State Excise Maharashtra and which is pending hearing and orders. In the meanwhile the State Excise Maharashtra has not enforced the demand notice.
- 18.3. The Company received a notice dated 26<sup>th</sup> February 2018 from the advocate of Novex Communications Pvt. Ltd., Mumbai alleging copyright infringement of sound recordings at Sulafest 2018. The Company has responded to the same on merits. Having regard to the existing provisions of the Copyright Act, 1957, the Company is well placed to defend any actions that may be initiated, on merits.
- 18.4. The Company has been contesting a demand of Rs.92.21 Lakh raised by the Provident Fund Commissioner, Nashik towards alleged non-payment of provident fund in certain cases. After several hearings over the last few years, the Commissioner has pursuant to accepting the Company's submission determined the company's liability to be only Rs.43.02 Lakh and which the Company shall be paying. Additionally the Company expects additional proceedings to be initiated against it towards interest and penalties and which at this point cannot hence be quantified.
- 18.5. The dispute relating to non-receipt of refundable deposit of Rs.50 Lakh and misuse of the Company's trademarks with Somanda Vineyards & Resorts Private Limited and its directors is in the process of being amicably settled.
- 18.6 A declaratory suit has been filed by several persons claiming to be the legal heirs of the land situated at Gat No. 89, Village Javulke Wani before the competent court in Dindori, Nashik. The same is being contested by the Company on merits and is pending hearing and order.
- 18.7. The Company had, through the All India Wine Producers Association, which filed a writ petition before the Bombay High Court challenging notification issued by the Commissioner State Excise prohibiting the bottling of Country Liquor and Foreign Liquor in PET bottles. Pursuant to its hearing such notification was stayed and not given effect to. Resultantly the Company was not in any manner prejudicially affected.
- 18.8. The Company has received a show cause notice from the Government of Karnataka, Department of Stamps and Registrations alleging under valuation of stamp duty paid on the sale deed relating to acquisition of 12 Acres 13 Guntha agricultural land at Channapatna Taluk, Ramanagar District from Heritage Grape Winery Pvt. Ltd., Bangalore.
- 18.9 The Company's wholly owned subsidiary viz. Artisan Spirits Pvt Ltd. has taken steps to terminate its existing arrangements in relation to bottling arrangement / grape spirit purchase with Century Wines Pvt. Ltd., Baramati, District-Pune, Maharashtra. Consequently the Company has not renewed agreements to the same.

## **19. Taxation: -**

Clause 19 (a)

Income Tax

1. Due to the recent search proceedings on the Samant group, a notice for reassessment proceedings for FY 2010-11 has been received by SVPL.

The Company expects to receive notices for FY 2011-12 to FY 2017-18 for both the entities i.e. SVPL and ASPL for assessment proceedings as per the Income Tax Act, 1961.

Sales Tax

1. Regular Sales tax assessment up to the financial year 2013-14 is completed for SVPL Maharashtra.
2. For ASPL, VAT assessments are completed for FY 2012-13 for Maharashtra and no notice for initiating assessment was received for FY 2013-14. Since the due date to complete the assessment proceedings for FY 2013-14 is complete, we do not expect any assessment for this year.
3. The Sales Tax Authorities had recently conducted a search action at Sula's factory premises. The major point of contention was the additional 5% tax liability on liquor consumption at the restaurant/TR. The Company has accepted the liability and has already discharged a part of the liability to the department for the period 1<sup>st</sup> April 2014 to 30<sup>th</sup> June 2017. The second contention is with respect to WIPS refund.
4. The Company is under Appeal before the Maharashtra Sales Tax Authorities for FY 2012-13 due to absence of C-Forms. For FY 2013-14, an appeal will be filed in due course for absence of C-Forms.
5. An appeal will be filed before the Delhi Sales Tax Authorities for FY 2013-14 due to absence of C-Forms in due course.

## **20. Employee Benefit Plans: -**

The Company has the following Employee Benefit Plans:

1. Gratuity as per The Payment of Gratuity Act, 1972
2. Leave encashment as per the H.R. Policy.
3. Provident fund for eligible employees under The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
4. Bonus for the employees who are eligible under The Payment of Bonus Act, 1965.
5. Employees are eligible for personal loans as per the H. R. policy.

**21. Borrowings: -**

1. Details of outstanding borrowings as on 31<sup>st</sup> March, 2018 (*provisional unaudited*) are as follows:

Nature of debt/liability	Amount (Rs. Lakhs)	
	SVPL	ASPL
Term Loans	3215.04	
WCDL	16341.30	450.00
Agri Loan (Yes Bank)	2336.41	
Sales Tax deferment	145.91	
	-----	-----
TOTAL	22038.66	450.00
	=====	=====

**30. Absence of Material Effect: -**

Clause 30 (e)

Details of capital expenditure incurred by the company during 2017-18 (*provisional*) is as follows:

Nature of expenditure	Amount (Rs. Lakhs)	
	SVPL	ASPL
Plant and machinery	1541.98	5.11
S.S.tanks	181.26	-
Other assets	1615.04	0.14
Capital work in progress	50.00	-
	-----	-----
TOTAL	3388.28	5.25
	=====	=====



## SCHEDULE VI

### LIST OF KEY EMPLOYEES

<b>Sl.No.</b>	<b>Name of the Employee</b>	<b>Designation</b>	<b>Work Location</b>
1.	Rajeev S. Samant	CEO & Managing Director	Mumbai
2.	Deepak Bhatnagar	Director - Sales & Marketing	Mumbai
3.	Kenneth Pritchard	Senior Vice President - International Business & Marketing and COO of ASPL	Mumbai
4.	Sisir Paul	Vice President – Operations	Nashik
5.	Monit Dhavale	Vice President – Hospitality	Nashik
6.	Shivani Chopra	Company Secretary & Vice President - Corporate Compliance	Mumbai
7.	Vinay Dwarkadas	Vice President – Legal & Compliance	Mumbai
8.	Karan Dilip Vasani	Senior Winemaker & Vice President - Winemaking	Nashik
9.	Sanjeev Shivaji Paithankar	Vice President - Public Affairs	Nashik
10.	Aloke Kumar Halwai	Vice President - Finance & Accounts	Mumbai
11.	Ria Shroff	Associate Vice President - People Operations	Mumbai