

SHARE PURCHASE AGREEMENT

DATED MAY 22, 2019

AMONG

PERSONS LISTED IN SCHEDULE 1

AND

FIH MAURITIUS INVESTMENTS LTD

AND

FAIRCHEM ORGANICS LIMITED

महाराष्ट्र शासन
GOVERNMENT OF MAHARASHTRA
ई-सुरक्षित बँक व कोषागार पावती
e-SECURED BANK & TREASURY RECEIPT (e-SBTR)

Bank/Branch: IBKL - 6910334/Lower Parel [West] Stationery No: 16253338415711
Pmt/Txn id : 216127535 Stationery No: 16253338415711
Pmt DtTime : 22-MAY-2019@15:48:31 Print DtTime : 22-MAY-2019 17:32:34
ChallanIdNo: 69103332019052250535 GRAS GRN : MH001806932201920S
District : 7101-MUMBAI Office Name : IGR182-BOM1_MUMBAI CITY
GRN Date : 22-May-2019@15:48:29

StDuty Schm: 0030045501-75/STAMP DUTY
StDuty Amt : R 1,35,000/- (Rs One, Three Five, Zero Zero Zero only)

RgnFee Schm: 0030063301-70/Registration Fees
RgnFee Amt : R 0/- (Rs Zero only)

Article : 5(h) (B) (vi) -Agreement-if not otherwise provided for
Prop Mvblty: N.A. Consideration: R 1,34,14,25,615/-
Prop Descr : SHARE PURCHASE AGREEMENT

Duty Payer: PAN-AACCF5236C,FIH MAURITIUS INVESTMENTS LTD

Other Party: PAN-AADPR7777A,BHAKTAVATSALA RAO

Bank official Name & Signature



Officials



Bank official2 Name & Signature

----- Space for customer/office use - - - Please write below this line -----

SHARE PURCHASE AGREEMENT

This **SHARE PURCHASE AGREEMENT** is made at Mumbai on this 22nd day of May, 2019 (“**Execution Date**”) by and among:

THE PERSONS LISTED IN SCHEDULE 1, (hereinafter collectively referred to as the “**Privi Group**” or the “**Sellers**” and individually as a “**Seller**” which expression shall, unless it be repugnant to the context, include any or all of them and their respective heirs, executors, administrators, successors and permitted assigns, as the case may be) of the **FIRST PART**;

AND

FIH MAURITIUS INVESTMENTS LTD, a private limited liability company incorporated under the laws of Mauritius whose office is at Level 1, Maeva Tower, Silicon Avenue, Cybercity, Ebene, 72201, Mauritius (hereinafter referred to as the “**Purchaser**” or “**Fairfax India**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **SECOND PART**;

AND

FAIRCHEM ORGANICS LIMITED, a public company incorporated under the laws of India and with its registered office at Plot A-71, TTC Industrial Estate, Near Thane Belapur Road, Kopar Khairane, Mumbai – 400709, Maharashtra, India (hereinafter referred to as the “**Company**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **THIRD PART**;

The Sellers, the Purchaser and the Company shall collectively be referred to as “**Parties**” and individually as a “**Party**”.

WHEREAS:

- A. The Company is a public limited company incorporated under the Companies Act, 2013, and as on the Execution Date, is a wholly owned subsidiary of Fairchem Speciality Limited, a publicly listed company, incorporated under the Companies Act, 1956 (“**FSL**”) and constitutes *inter alia*, the business of the Demerged Undertaking (*as defined in the Scheme*).
- B. The Purchaser is a private limited company incorporated in accordance with the laws of Mauritius.
- C. As of the Execution Date, FSL is the legal and beneficial owner of 10,000 (ten thousand) Equity Shares (*as defined hereinafter*) representing 100% (one hundred per cent) of the Share Capital.
- D. On or around the date hereof, the Board (*as defined hereinafter*) and the board of directors of FSL have approved a scheme of arrangement (“**Scheme**”), pursuant to which: (a) the Demerged Undertaking (*as defined in the Scheme*) shall be transferred by way of demerger from FSL to the Company, in lieu whereof such number of equity securities of the Company as set out in the Scheme will be issued to the shareholders of FSL and FSL’s entire

shareholding in the Company will stand cancelled, and (b) Privi Organics India Limited (“**POIL**”), a wholly owned subsidiary of FSL, shall stand merged into FSL (“**Proposed Restructuring**”).

- E. Simultaneously with the execution of this Agreement: (i) the Sellers and the Purchaser have entered into an option agreement in relation to certain equity shares of FSL (“**Fairfax Option Agreement**”); (ii) the Sellers and the Persons listed in **Schedule 2** (“**Adi Group**”) have entered into an option agreement in relation to certain equity shares of FSL (“**Adi Option Agreement**”); (iii) the Sellers and the Adi Group have entered into a share purchase agreement with respect to the purchase by the Adi Group of certain equity shares of the Company held by the Sellers (“**Other FOL SPA**”); (iv) Fairfax India, FIH Private International Ltd, Nahoosh Tradelink LLP, Jariwala Tradelink LLP and Nahoosh Jariwala have entered into a shareholders agreement in relation to the Company (effective on the Effective Date (*as defined hereinafter*)) (“**FOL SHA**”); (v) Fairfax India, FIH Private International Ltd and the Sellers have entered into a shareholders agreement in relation to FSL (effective on the Effective Date) (“**FSL SHA**”); and (vi) the Parties, FIH Private International Ltd, POIL, the Adi Group, Nahoosh Jariwala and FSL have entered into an implementation agreement in relation to consummation of the transactions contemplated under this Agreement, the Other FOL SPA, the Adi Option Agreement and the Fairfax Option Agreement (subject to and in accordance with their respective terms and conditions), the Proposed Restructuring and the Company Public Offer (*as defined hereinafter*) (“**IA**”).
- F. As soon as reasonably practicable after the Effective Date, the Company shall make an application to the Stock Exchanges for listing the equity securities of the Company in accordance with and within such timelines as set out in the IA and the Scheme.
- G. Upon receipt of the listing approval from the Stock Exchanges and upon commencement of trading of the Equity Securities after receipt of the said approval from the Stock Exchanges, and on the basis of the mutual representations, warranties, indemnities and covenants set out in this Agreement, the Purchaser has agreed to purchase and acquire from the Sellers, the Sale Shares (*as defined hereinafter*), and the Sellers have agreed to sell the Sale Shares to the Purchaser, subject to the terms and conditions of this Agreement and the Transaction Documents. Consequently, upon the receipt of the final listing and trading approval of the Stock Exchanges for the Equity Shares after the Effective Date, Fairfax India shall make a public offer for the minimum number of Equity Shares permitted under Applicable Law, in accordance with the Takeover Regulations (“**Company Public Offer**”).
- H. The Parties have agreed to enter into this Agreement to set forth the terms and conditions agreed between them for the sale of the Sale Shares by the Sellers and purchase of the Sale Shares by the Purchaser.

NOW, THEREFORE, in consideration of the Purchase Consideration (*as defined hereinafter*) and mutual covenants and agreements set forth in this Agreement, and for other good and valuable consideration, the sufficiency of which is acknowledged by the Parties, the Parties hereby agree as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

In this Agreement, the following terms shall have the meanings assigned to them hereinbelow:

“**Act**” means the Companies Act, 1956 and the Companies Act, 2013, as the case may be, for the time being in force, as amended from time to time and shall include any statutory replacement or re-enactment thereof and rules and regulations framed thereunder.

“**Adi Group**” shall have the meaning ascribed to such term in Recital E.

“**Adi Option Agreement**” shall have the meaning ascribes to such term in Recital E.

“**Affiliate**” means and includes, in respect of: (i) any Party, other than a natural Person, any other Person that directly or indirectly, through one or more intermediate Persons, Controls, is Controlled by, or is under the common Control of such Party; or (ii) in case of Parties who are natural persons, any other Person who is an Immediate Relative of such Party and any other Person Controlled by such Party or the Immediate Relatives of such Party.

“**Agreement**” means this Agreement along with all exhibits, annexures and schedules attached hereto.

“**Alternative Transaction**” means: (i) any potential direct or indirect acquisition or purchase of any material assets or undertaking of the Company or FSL, any Equity Securities (including but not limited to the Sale Shares), any equity securities of FSL by any Person; (ii) any merger, demerger, consolidation, business combination, sale of a material portion of the assets or properties, lease of the properties, recapitalization, liquidation, dissolution, incurrence of material indebtedness or similar transaction involving FSL or the Company; or (iii) any other transaction, the consummation of which would prevent the transactions contemplated under the Transaction Documents, or any proposal or offer for any of the above, other than the transactions contemplated in this Agreement and the Transaction Documents.

“**Applicable Law**” includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority (or any sub-division thereof), statutory authority, tribunal, board, court or recognised stock exchanges.

“**Arbitration Board**” shall have the meaning set out in Clause 12.1.

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

“**Business Day**” means any day other than a Saturday, Sunday or a public holiday on which banks are open for general banking purposes in Mumbai, India, Ahmedabad, India and Mauritius.

“**Claim**” shall have the meaning set out in Clause 8.3.

“**Claim Notice**” shall have the meaning set out in Clause 8.3.

“**Company Conditions Precedent**” shall have the meaning ascribed to such term in Clause 3.2.

“**Company Public Offer**” shall have the meaning ascribed to such term in Recital G.

“**Completion**” means the completion of sale and purchase of the Sale Shares by the Purchaser from the Sellers in accordance with the terms of this Agreement, and completion of the actions set out in Clause 5.3 and Clause 5.4 of this Agreement, subject to Clause 5.7.

“**Completion Date**” shall have the meaning ascribed to such term in Clause 5.2.

“**Conditions Precedent**” shall mean collectively, the Company Conditions Precedent, the Seller Conditions Precedent, the Purchaser Conditions Precedent and the Regulatory Approval Condition.

“**Confidential Information**” shall have the meaning set forth in Clause 9.1.

“**Consent**” means any notice, consent, approval, authorization, waiver, permit, clearance, license, exemption, registration, or filing by any Person.

“**Control**” including with its grammatical variations such as “**Controlled by**”, “**that Controls**” and “**under common Control with**”, when used with respect to any Person, means and includes the possession, directly or indirectly, of, acting alone or together with another Person, the ability to direct the management and policies of such Person, whether (i) through the ownership of over 50% (fifty per cent) of the voting equity of such Person; (ii) through the power to appoint half or more than half of the members of the board of directors or similar governing body of such Person; or (iii) pursuant to Applicable Law or contractual arrangements.

“**CP Satisfaction Certificate**” means a certificate issued in the format set out in **Schedule 4** of this Agreement.

“**Demat Account**” means the account held with the Depository Participant for effecting transactions in securities held in dematerialized form.

“**Depository Participant**” or “**DP**” means a depository participant within the meaning of the (Indian) Depositories Act, 1996 and who has an agreement with a depository under the (Indian) Depositories Act, 1996.

“**Dispute**” shall have the meaning set out in Clause 12.1.

“**Dispute Notice**” shall have the meaning set out in Clause 12.1.

“**Effective Date**” shall have the meaning ascribed to such term in the IA.

“**Encumbrance**” means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, (ii) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, refusal, right of pre-emption or transfer restriction in favour of any Person, and (iii) any adverse claim as to title, possession or use.

“**Equity Securities**” means any shares or other equity interest or any securities convertible into or exchangeable for Share Capital or any other rights, warrants or options to acquire any of the foregoing securities of the Company.

“**Equity Shares**” means equity shares of the Company having face value of INR 10 (Rupees ten) per share and 1 (one) vote per share.

“**Execution Date**” means the date of this Agreement.

“**Fairfax Option Agreement**” shall have the meaning ascribed to such term in Recital E.

“**FOL SHA**” shall have the meaning ascribes to such term in Recital E.

“**Form FC-TRS**” means the form FC-TRS in the single master form in terms of the circular no. RBI/2017-18/194 dated June 7, 2018 as amended from time to time.

“**FEMA 20**” shall mean the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 as amended from time to time.

“**FSL**” shall have the meaning ascribed to such term in Recital A.

“**FSL SHA**” shall have the meaning ascribes to such term in Recital E.

“**Governmental Approvals**” means any Consent of, with or to any Governmental Authority.

“**Governmental Authority**” means any government authority, statutory authority, regulatory authority, government department, administrative authority, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction.

“**IA**” shall have the meaning ascribes to such term in Recital E.

“**Immediate Relative**” with reference to any Person, means the spouse, children or parents of such Person.

“**Indemnified Person**” shall have the meaning set out in Clause 8.2.

“**IT Act**” means the Income-Tax Act, 1961, as may be amended or supplemented from time to time (and any successor provisions) together with all applicable by-laws, rules, regulations,

orders, ordinances, policies, directions and similar laws or supplements issued thereunder.

“**Long Stop Date**” means the earlier of:

- (a) September 30, 2020; and
- (b) expiry of 26 (twenty six) weeks from the Open Offer Completion Date (or such other maximum period permissible under the Applicable Law),

or such other date as may be mutually agreed by the Parties in writing in accordance with Clause 3.12.

“**Loss**” means all direct losses, claims, liabilities, defaults, damages, reasonable expenses (including fees of professional advisors and attorneys), penalties, fines, proceedings, settlements, awards, demands, and judgments.

“**Merchant Banker**” means merchant banker registered with SEBI, appointed by the Purchaser under Regulation 12 of the Takeover Regulations.

“**Open Offer Completion Date**” shall mean the date of completion of payment by the Purchaser to the shareholders who have tendered their Equity Shares in the Company Public Offer as per the Takeover Regulations.

“**Open Offer Shares**” means the number of Equity Shares acquired by the Purchaser pursuant to the Company Public Offer.

“**Other FOL SPA**” shall have the meaning ascribed to such term in Recital E.

“**Person**” means any individual or other entity, whether a corporation, firm, company, joint venture, trust, hindu undivided family (HUF), association, organization, partnership, proprietorship or limited liability partnership, including any governmental agency or regulatory body.

“**POIL**” shall have the meaning ascribed to such term in Recital D.

“**Proposed Restructuring**” shall have the meaning ascribed to such term in Recital D.

“**Purchase Consideration**” means the Purchase Price multiplied by the number of Sale Shares.

“**Purchase Price**” means INR 575.53 (Rupees five hundred and seventy five and fifty three paise).

“**Purchaser Conditions Precedent**” shall have the meaning ascribed to such term in Clause 3.3.

“**Purchaser Demat Account**” means the Demat Account of the Purchaser notified by the Purchaser to the Sellers at least 5 (five) Business Days prior to the Completion Date.

“**Purchaser Warranties**” shall have the meaning ascribed to such term in Clause 7.2.

“**RBI**” shall mean the Reserve Bank of India.

“**RBI Approval**” shall mean the approval from the RBI, to the extent required under Applicable Law, for the acquisition of the Sale Shares by the Purchaser from the relevant Sellers at the Purchase Price, without any condition that requires the Purchaser to take any decisions, step or action, which may result in any adverse economic impact on the Purchaser or which prevents any of the transactions contemplated in the Transaction Documents, from being undertaken in accordance with the terms thereof.

“**Regulatory Approval Condition**” shall mean: (a) the Purchaser having received the RBI Approval on or prior to the Long Stop Date; (b) the Company having received the approval from the SEBI waiving or relaxing the enforcement of the requirement set out in Rule 19(2)(b) of the SCRR on or prior to the Long Stop Date; and (c) the Company having received the final listing and trading approval for the Equity Shares from the Stock Exchanges on or prior to the Long Stop Date.

“**Representatives**” shall have the meaning set forth in Clause 9.1.

“**Restated Charter Documents**” means the amended and restated articles of association of the Company, in the form provided by the Purchaser.

“**Rules**” shall have the meaning set out in Clause 12.1.

“**Rupees**” or “**Rs**” or “**INR**” means the lawful currency of India.

“**Sale Share Warranties**” shall mean the Seller Warranties set out in paragraph 2 of **Schedule 5** (*Seller Warranties*).

“**Sale Shares**” means 23,30,758 (twenty three lakh thirty thousand seven hundred and fifty eight) Equity Shares representing 17.9% (seventeen point nine per cent) of the Share Capital.

“**Scheme**” shall have the meaning ascribed to such term in Recital D.

“**SCRR**” means the Securities Contracts (Regulations) Rules, 1957, as amended from time to time;

“**SEBI**” shall mean the Securities and Exchange Board of India.

“**Seller Bank Accounts**” means the bank accounts of the Sellers as notified by the relevant Sellers to the Purchaser at least 5 (five) Business Days prior to the Completion Date.

“**Seller Conditions Precedent**” shall have the meaning ascribed to such term in Clause 3.1.

“**Seller Demat Accounts**” means the Demat Accounts of the Sellers as notified by the relevant Sellers to the Purchaser at least 5 (five) Business Days prior to the Completion Date.

“**Seller Representatives**” shall have the meaning ascribed to such term in Clause 13.3.

“**Seller Authority Warranties**” shall mean the Seller Warranties set out in paragraph 1 of **Schedule 5** (*Seller Warranties*).

“**Seller Warranties**” shall have the meaning ascribed to such term in Clause 7.1.

“**Share Capital**” means the issued and paid-up equity share capital of the Company, on a fully diluted basis.

“**Stock Exchanges**” means BSE Limited, the National Stock Exchange of India Limited and any other recognised stock exchange in India where the equity securities of the Company are proposed to be listed.

“**Takeover Regulations**” means the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, as amended from time to time.

“**Tax**” or “**Taxes**” shall mean any tax, levy, impost, duty, tariff or other charges of any kind imposed by any Governmental Authority or taxing authority, including taxes or other charges on or with respect to income, windfall or other profits, profits or dividend distributions, gross receipts, property, sales, services, use, payroll, employment, social security, workers’ compensation, unemployment compensation, minimum alternate taxes, taxes including or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added, or gains taxes; license, registration and documentation fees; and customs’ duties, tariffs, and similar charges including any cess or penalty or default interest, late fee etc. payable in connection with any failure to pay or any delay in paying any of the same, as may be applicable to the Company.

“**Transaction Documents**” means this Agreement, the Other FOL SPA, the Adi Option Agreement, the Fairfax Option Agreement, FOL SHA, FSL SHA, IA and any other documents required to be executed by any Party hereto in connection with the transactions contemplated under the foregoing.

1.2 **INTERPRETATION**

1.2.1 In addition to the above terms, certain terms may be defined in the recitals or elsewhere in this Agreement and wherever, such terms are used in this Agreement, they shall have the meaning so assigned to them.

1.2.2 The terms referred to in this Agreement shall, unless defined otherwise or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.

1.2.3 All references in this Agreement to statutory provisions shall be construed as meaning and including references to:

(a) any statutory modification, consolidation or re-enactment made after the date

of this Agreement and for the time being in force;

- (b) all statutory instruments or orders made pursuant to a statutory provision; and
- (c) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.

1.2.4 Any reference to a document in 'Agreed Form' is to a document in a form agreed among the Sellers and the Purchaser initialled for the purpose of identification by or on behalf of each of them.

1.2.5 A reference to "consent of", "acceptable to" or "to the satisfaction of" used in the context of any Party, shall in each scenario, be construed to mean the consent of such Party, or acceptable to such Party or to the satisfaction of such Party in its "sole discretion".

1.2.6 In calculations of share numbers, references to a "fully diluted basis" mean that the calculation should be made assuming that all outstanding options, warrants and other equity securities convertible into or exercisable or exchangeable for Equity Shares (whether or not by their term then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged.

1.2.7 Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

1.2.8 Headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information only and shall not form part of the operative provisions of this Agreement or the annexures hereto and shall be ignored in construing the same.

1.2.9 References to recitals, clauses or annexures are, unless the context otherwise requires, references to recitals, clauses and annexures to this Agreement.

1.2.10 Reference to days, months and years are to calendar days, calendar months and calendar years, respectively.

1.2.11 Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

1.2.12 The words "include" and "including" are to be construed without limitation.

2 SALE AND PURCHASE OF THE SALE SHARES

2.1 Subject to, and in accordance with, the terms of this Agreement (including but not limited to the satisfaction or waiver of the Conditions Precedent in accordance with Clause 3 below), on the Completion Date, the Purchaser shall purchase from the Sellers and the Sellers shall sell to the Purchaser, the Sale Shares, free from all Encumbrances, together with all rights, title, interest and benefits appertaining thereto, for an aggregate amount equal to the Purchase Consideration, to be paid by the Purchaser to the relevant Sellers, in the proportion set out in

Part B of Schedule 3.

- 2.2 Each Party shall bear its own respective Taxes payable by such Party pursuant to this Agreement, without any recourse or liability to the other Party.
- 2.3 The shareholding of the Sellers in the Company on the Effective Date shall be as set out in **Part A of Schedule 3**, and the shareholding pattern of the Company on the Completion Date, upon Completion having occurred (assuming that ‘Completion’ has also occurred under the Other FOL SPA, in accordance with the terms thereof), shall be as set out in **Part B of Schedule 3**.

3 CONDITIONS PRECEDENT

- 3.1 The obligation of the Purchaser to purchase the Sale Shares is subject to: (a) completion of the Regulatory Approval Condition; and (b) the fulfilment by the Sellers, on or prior to the Long Stop Date (or at a time specified below), of the following conditions and delivery and execution of the following items in a form and substance satisfactory to the Purchaser, any one or more of which may be waived in writing by the Purchaser, at their sole discretion (“**Seller Conditions Precedent**”):
- 3.1.1 the Seller Authority Warranties having been true and correct on the date hereof and remaining true and correct on the Completion Date, in each case, in all respects;
- 3.1.2 the Sale Share Warranties having been true and correct on the Completion Date, in each case, in all respects;
- 3.1.3 the Sellers having performed and complied with all agreements, obligations and conditions contained in the Transaction Documents (as applicable to the Sellers), in all material respects, that are required to be performed or complied with by them on or before Completion;
- 3.1.4 there having been no change or announcement of a proposed material change in any relevant laws, regulations or policies or any actual litigation, writ, judgment, injunction, decree, or similar order of any court, which in each case in the reasonable opinion of the Purchaser, prevents or materially and adversely affects or may prevent or materially and adversely affect the transactions contemplated under this Agreement;
- 3.1.5 each of the Sellers having issued letters to the Company and the Purchaser in Agreed Form, *inter alia*, certifying that there are no outstanding claims and/ or liabilities which are owed by any of the Purchaser or the Company to the Sellers or any of their Affiliates other than claim arising in relation to any Seller in his/ her capacity as a director of FOL;
- 3.1.6 drafts of the required supporting documents to be filed in Form FC-TRS with the authorised dealer on the Completion Date being in Agreed Form, and having received sign off from the relevant authorised dealer bank(s);

- 3.1.7 each of the other Transaction Documents (other than the FOL SHA) having been executed, being valid and subsisting;
 - 3.1.8 each of the conditions precedent under clause 3 of the Other FOL SPA having been fulfilled in accordance with its terms;
 - 3.1.9 in the event an option is exercised by the Sellers or the Adi Group pursuant to the Adi Option Agreement in such case, each of the conditions precedent under clause 4 of the Adi Option Agreement having been fulfilled in accordance with its terms;
 - 3.1.10 in the event an option is exercised by the Sellers pursuant to the Fairfax Option Agreement in such case, each of the conditions precedent under clause 4 of the Fairfax Option Agreement having been fulfilled in accordance with its terms; and
 - 3.1.11 the resignation of directors nominated by the Privi Group from the board of directors of FOL having been effected as on the Effective Date.
- 3.2 In addition to the Seller Conditions Precedent and the Purchaser Conditions Precedent, the obligation of the Purchaser to purchase the Sale Shares from the Sellers and for the Sellers to sell the Sale Shares to the Purchaser, is subject to the fulfilment by the Company, on or prior to the Long Stop Date (or at the time specified below), of the following conditions and delivery and execution of the following items in form and substance satisfactory to the Purchaser, any one or more of which may be waived in writing by the Purchaser, at its sole discretion (“**Company Conditions Precedent**”):
- 3.2.1 the Company Warranties having been true and correct on the date hereof and remaining true and correct on the Completion Date, in each case, in all respects;
 - 3.2.2 the Company having performed and complied with all agreements, obligations and conditions contained in this Agreement, in all material respects, that are required to be performed or complied with by them on or before Completion;
 - 3.2.3 Equity Securities of the Company having been issued to the shareholders of FSL pursuant to the Proposed Restructuring in accordance with the provisions of the Scheme;
 - 3.2.4 the Company having obtained certificates from reputed merchant bankers registered with SEBI, certifying the fair value of the Sale Shares as well as the Open Offer Shares, for the purposes of compliance with FEMA 20, SEBI guidelines and Section 56(2)(x) of the IT Act read with Rule 11UA of the Income-Tax Rules, 1962, as may be required; and
 - 3.2.5 the Restated Charter Documents being in Agreed Form.
- 3.3 The obligation of the Sellers to sell the Sale Shares is subject to: (a) completion of the Regulatory Approval Condition; (b) the fulfilment by the Purchaser, on or prior to the Long Stop Date (or at the time specified below), of the following conditions and delivery and execution of the following items in form and substance satisfactory to the Sellers, any one or

more of which may be waived in writing by the Sellers, at their sole discretion (“**Purchaser Conditions Precedent**”):

- 3.3.1 the Purchaser Warranties having been true and correct on the date hereof and remaining true and correct on the Completion Date, in each case, in all respects;
 - 3.3.2 the Purchaser having performed and complied with all agreements, obligations and conditions contained in this Agreement, in all material respects, that are required to be performed or complied with by it on or before Completion;
 - 3.3.3 there having been no change or announcement of a proposed material change in any relevant laws, regulations or policies or any actual litigation, writ, judgment, injunction, decree, or similar order of any court that, which in each case in the reasonable opinion of the Sellers prevent or materially and adversely affect or may prevent or materially and adversely affect the transactions contemplated under this Agreement;
 - 3.3.4 drafts of supporting documents to be filed with Form FC-TRS on the Completion Date being in Agreed Form;
 - 3.3.5 in the event an option is exercised by the Sellers pursuant to the Fairfax Option Agreement in such case, each of the conditions precedent under clause 4 of the Fairfax Option Agreement having been fulfilled in accordance with its terms;
 - 3.3.6 each of the other Transaction Documents (other than the Other FOL SPA, Adi Option Agreement and the FOL SHA) having been executed, being valid and subsisting; and
 - 3.3.7 the Company Public Offer having been completed and receipt of the report filed by the Merchant Banker with SEBI in compliance with Regulation 27(7) under the Takeover Regulations.
- 3.4 Notwithstanding anything to the contrary contained herein, it is agreed by the Parties that the Regulatory Approval Condition shall not be capable of waiver by any Party.
- 3.5 The Conditions Precedent set out in this Clause shall be required to be satisfied by the Company, the Sellers and the Purchaser as the case may be. The Parties shall make reasonable efforts to achieve satisfaction of each of their respective Conditions Precedent as soon as possible after the date of this Agreement and in any event not later than the Long Stop Date. Provided that no Party shall be liable for any delays in receipt of comments or approval from any Governmental Authorities or any delays due to directions or orders passed by such Governmental Authority.
- 3.6 If, at any time, any Party become(s) aware of a fact or circumstance that might prevent a Condition Precedent from being satisfied, they shall immediately inform the other Parties in writing.
- 3.7 The Sellers shall promptly certify the satisfaction of each of the Seller Conditions Precedent to the Purchaser in writing within 2 (two) Business Days of its satisfaction along with the

documents evidencing such fulfilment, to the satisfaction of the Purchaser. On satisfaction or waiver (by the Purchaser) of all the Seller Conditions Precedent, the Sellers shall, within 1 (one) Business Day of such fulfilment, certify such satisfaction by issuing a CP Satisfaction Certificate to the Purchaser.

- 3.8 The Company shall promptly certify the satisfaction of each of the Company Conditions Precedent to the Purchaser and the Sellers in writing within 2 (two) Business Days of its satisfaction along with the documents evidencing such fulfilment. On satisfaction or waiver (by the Purchaser) of all the Company Conditions Precedent, the Company shall, within 1 (one) Business Day of such fulfilment, certify such satisfaction by issuing a CP Satisfaction Certificate to the Purchaser and the Sellers.
- 3.9 The Purchaser, shall promptly certify the satisfaction of each of the Purchaser Conditions Precedent to the Sellers in writing within 2 (two) Business Days of its satisfaction along with the documents evidencing such fulfilment. On satisfaction or waiver (by the Sellers) of all the Purchaser Conditions Precedent, the Purchaser shall, within 1 (one) Business Day of such fulfilment, certify such satisfaction by issuing a CP Satisfaction Certificate to the Sellers.
- 3.10 If any of the Company Conditions Precedent or the Seller Conditions Precedent are not fulfilled, or waived by the Purchaser to the extent permissible under Applicable Law, by the Long Stop Date (or at any other the time specified herein), the Purchaser may, at its option and in its sole discretion, without prejudice to their rights hereunder and under Applicable Law:
- 3.10.1 proceed to Completion to the extent practicable; or
- 3.10.2 terminate this Agreement by giving a notice in writing to the other Parties, in which event this Agreement shall terminate with effect from the date of such notice.
- 3.11 If any of the Purchaser Conditions Precedent or Company Conditions Precedent are not fulfilled, or waived by the Sellers to the extent permissible under Applicable Law, by the Long Stop Date (or at any other the time specified herein), the Sellers may, at their option and in their sole discretion, without prejudice to their rights hereunder and under Applicable Law:
- 3.11.1 proceed to Completion to the extent practicable; or
- 3.11.2 terminate this Agreement by giving a notice in writing to the other Parties, in which event this Agreement shall terminate with effect from the date of such notice.
- 3.12 If any of the Conditions Precedent are not fulfilled, or waived to the extent permissible under Applicable Law, by the Long Stop Date, the Purchaser and the Sellers may mutually agree in writing, without prejudice to their rights hereunder and under Applicable Law, to extend the Long Stop Date to a later date, to the extent permissible under Applicable Law.
- 3.13 If this Agreement is terminated pursuant to Clause 3.10.2 or 3.11.2 above, each Party's further rights and obligations cease immediately on termination, but termination shall not affect a Party's accrued rights and obligations at the date of termination.

4 OBLIGATIONS BETWEEN EXECUTION DATE AND COMPLETION DATE

4.1 Covenants with respect to the Company Public Offer:

- 4.1.1 The Sellers and the Company hereby agree and undertake to provide reasonable co-operation, including providing necessary information and documents, to the Purchaser so as to enable the Purchaser and the Merchant Banker to conduct the Company Public Offer in compliance with the provisions of the Takeover Regulations and all other Applicable Laws;
 - 4.1.2 The Sellers and the Purchaser acknowledge and accept that by virtue of being a Party to this Agreement, they are disqualified from participating in the Company Public Offer and shall not participate in the same;
 - 4.1.3 The Purchaser hereby agrees and undertakes to comply with the requirements under the Takeover Regulations in respect of the Company Public Offer. Provided that the Purchaser shall not be liable for any delays in receipt of comments or approval from SEBI or any delays due to directions or orders passed by SEBI in connection with the Company Public Offer.
- 4.2 From Execution Date up to Completion Date, no Party shall file any document or have any communication with any Governmental Authority in relation to the matters contemplated by this Agreement or any other Transaction Document without prior consultation with the other Parties. Provided that where a filing or disclosure is required to be made to the Governmental Authority pursuant to Applicable Law in a time bound manner, so far as is practicable, such filing or disclosure shall be made after consultation with the other Parties and after taking into account such Party's reasonable requirements regarding the content, timing and manner of dispatch of such filing or disclosure in question.
- 4.3 From the Effective Date up to Completion Date, the Sellers shall not, directly or indirectly, dispose, transfer or create or permit any Encumbrance over the Sale Shares in favour of any Person.
- 4.4 From the Execution Date until the earlier of the Completion Date or the termination of this Agreement, each of Sellers and the Company shall not, and shall ensure that any of their Affiliates or representatives do not, directly or indirectly: (A) solicit or initiate, or encourage the submission of, any proposal for an Alternative Transaction; (B) participate in any discussions or negotiations regarding, or furnish to any Person or group any information with respect to, or afford any access to the properties, books or records of FSL or the Company, or take any other action to facilitate any inquiries or the making of any proposal that constitutes, or may reasonably be expected to lead to, an Alternative Transaction or the making of a proposal for an Alternative Transaction, other than the transactions with the Purchaser as set out in the Transaction Documents or the Scheme; or (C) authorize, engage in or enter into any agreement or understanding with respect to, any Alternative Transaction.

5 ACTIONS ON EXECUTION DATE AND AT COMPLETION

5.1 On the Execution Date:

- 5.1.1 The Company shall provide the Purchaser and the Sellers with certified copies of corporate resolutions that are required under Applicable Laws approving the transactions contemplated under the Transaction Documents to which a Company is a party (including the execution, delivery and performance thereof, to the extent the Company is a party to a Transaction Document) and the Scheme;
 - 5.1.2 Each of the Sellers (which are not natural Persons) shall provide the Purchaser with certified copies of the resolutions duly passed by the board of directors of the respective Sellers, approving the transactions contemplated under the Transaction Documents, as applicable to the Sellers (including the execution, delivery and performance thereof, to the extent the relevant Seller is a party to a Transaction Document); and
 - 5.1.3 The Purchaser shall provide the Sellers with certified copies of corporate resolutions that are required under Applicable Laws, approving the transactions contemplated under the Transaction Documents, as applicable to the Purchaser (including the execution, delivery and performance thereof, to the extent the Purchaser is a party to a Transaction Document).
- 5.2 Subject to satisfaction of the Conditions Precedent, Completion shall take place at the registered office of the Company or such other location as may be agreed by the Purchaser and the Sellers in writing:
- 5.2.1 within 5 (five) Business Days of the date of issuance of the last of the CP Satisfaction Certificates pursuant to Clauses 3.7 to 3.9; or
 - 5.2.2 such other date as the Parties hereto may agree in writing, but in any event no later than the expiry of 26 (twenty six) weeks from the Open Offer Completion Date (or such other maximum period permissible under the Applicable Law),
- provided that such date is after March 31, 2020 (“**Completion Date**”).
- 5.3 On the Completion Date, the following actions will take place simultaneously:
- 5.3.1 the Sellers shall issue irrevocable delivery instructions to their respective Depository Participant to transfer the Sale Shares from the relevant Seller Demat Accounts to the Purchaser Demat Account; and
 - 5.3.2 the Purchaser shall remit the Purchase Consideration to the relevant Seller Bank Accounts of the Sellers.
- 5.4 On the Completion Date, after the completion of the steps set out in Clause 5.3,
- 5.4.1 the Company shall convene a meeting (or meetings) of the Board (or a duly constituted committee thereof) of the Company to approve: (a) approve the Restated Charter Documents; and (b) approve the convening of an extraordinary general meeting at shorter notice to approve the Restated Charter Documents.

- 5.4.2 the Sellers shall file Forms FC-TRS with their respective authorized dealer banks with respect to the transfer of the Sale Shares to the Purchaser, as may be required in accordance with FEMA 20. Each of the Parties shall provide each other necessary documents and assistance to enable the filing of the Forms FC-TRS as required under Applicable Laws. In the event, filing of Form FC-TRS cannot be completed on the Completion Date, then the same shall be completed within 2 (two) Business Days from the Completion Date.
- 5.5 The Company shall certify to the Purchaser and the Sellers that the relevant actions described in Clause 5.4.1 have been duly taken and shall provide the Purchaser and the Sellers with certified copies of such resolutions.
- 5.6 The obligations of each of the Parties under:
- 5.6.1 Clause 5.3 of this Agreement;
- 5.6.2 clause 5.3 of the Other FOL SPA;
- 5.6.3 clause 2.7 of the Fairfax Option Agreement (subject to the option thereunder having been exercised by the Sellers in accordance with the terms thereof); and
- 5.6.4 clause 2.7 of the Adi Option Agreement (subject to the option thereunder having been exercised by the Sellers or the Adi Group in accordance with the terms thereof),
- are interdependent on each other.
- 5.7 Completion shall not occur unless all of the obligations specified in:
- 5.7.1 Clause 5.3 of this Agreement;
- 5.7.2 clause 5.3 of the Other FOL SPA; and
- 5.7.3 clause 2.7 of the Fairfax Option Agreement (subject to the option thereunder having been exercised by the Sellers in accordance with the terms thereof); and
- 5.7.4 clause 2.7 of the Adi Option Agreement (subject to the option thereunder having been exercised by the Sellers or the Adi Group in accordance with the terms thereof),
- are complied with and are fully effective, and notwithstanding the provisions of Clause 5.3 hereto, all actions to be taken and all documents to be executed and delivered by the Parties pursuant to the above at Completion shall be deemed to have been taken and executed and to have come into effect simultaneously and no actions shall be deemed to have been taken nor documents executed or delivered and no agreements and/or deeds and/or documents shall be deemed to have come into effect.
- 5.8 The Parties agree that, subject to Clause 5.7 above, if the actions specified in Clause 5.3 and Clause 5.4 above have taken place, and all such, actions and/ or conditions have been fulfilled

on more than 1 (One) Business Day (including the Completion Date), the Business Day on which the last of such actions has taken place, shall be deemed to be the 'Completion Date' for the purposes of this Agreement.

- 5.9 Within the time period required under Applicable Law: (a) the Company shall file with the Registrar of Companies the requisite form(s) and filing(s), as may be required in connection with the transactions contemplated hereunder; and (b) the Parties shall make all filings required under Applicable Law with respect to Completion including under the Takeover Regulations.
- 5.10 The Sellers shall procure that the acknowledgement of the authorised dealer bank(s) in relation to the Forms FC-TRS filed pursuant to Clause 5.4.2 above, is obtained as soon as reasonably practicable from the date of filing.

6 COVENANTS

- 6.1 The Purchaser shall, immediately from the date of receipt of final listing and trading approval for the Equity Shares from the Stock Exchanges, take reasonably necessary steps and actions as may be required to commence, carry out and expeditiously conclude, the Company Public Offer pursuant to, and in accordance with the provisions of, the Takeover Regulations in relation to the Company Public Offer.
- 6.2 As soon as reasonably practicable after the Completion Date: (a) the Sellers shall make necessary applications and take all necessary steps for the re-classification of the Sellers to 'public' category in the Company, (b) the Company shall take necessary steps for such re-classification to ensure that the Sellers are no longer classified as 'promoters' of the Company including convening of the extra-ordinary general meeting of the members of the Company after such period as required under Applicable Law to approve such de-classification of the Sellers as the promoters of the Company, and (c) the Purchaser shall cause the Company to convene such extra-ordinary general meeting above and exercise its voting rights in the Company in favour of such re-classification of the Sellers from 'promoter' category to 'public' category.
- 6.3 In the event after the completion of the Company Public Offer, the public shareholding in the Company falls below the 'Minimum Public Shareholding' requirement under Applicable Law, including Rule 19(2) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the Purchaser shall be responsible and undertakes to take reasonable necessary steps as may be necessary to ensure that the public shareholding of the Company is at least equal to the 'Minimum Public Shareholding' requirement under Applicable Law.
- 6.4 The Sellers shall utilise the entire Purchase Consideration solely for the purpose of making investments in mutual funds, money market instruments and other similar instruments, in each case, with prior approval of Fairfax India.

7 REPRESENTATIONS AND WARRANTIES

- 7.1 Seller Warranties. The Sellers hereby jointly and severally represent, warrant and undertake to the Purchaser in the terms set forth in **Schedule 5** ("Seller Warranties") and acknowledge

that the Purchaser in entering into this Agreement are relying on such Seller Warranties and would not proceed with the transactions contemplated herein but for such Seller Warranties. The Seller Authority Warranties shall be deemed to be repeated as at Completion as if they were made on and as of the Completion Date and all references therein to the date of this Agreement or the Execution Date were references to the Completion Date. If any of the Sellers becomes aware of any fact or circumstance that results or may result in any of the Seller Warranties being untrue, inaccurate or misleading as of the date of this Agreement or which results or may result in any of the Seller Warranties being untrue, inaccurate or misleading as of Completion Date, they shall notify the Purchaser immediately and, in any event, prior to Completion setting out such details as are available with the Sellers.

7.2 Purchaser Warranties. The Purchaser hereby represents, warrants and undertakes to the Sellers in the terms set forth in **Schedule 6 (“Purchaser Warranties”)** and acknowledges that the Sellers in entering into this Agreement are relying on such Purchaser Warranties and would not proceed with the transactions contemplated herein but for such Purchaser Warranties. The Purchaser Warranties shall be deemed to be repeated as at Completion as if they were made on and as of the Completion Date and all references therein to the date of this Agreement or the Execution Date were references to the Completion Date. If the Purchaser becomes aware of any fact or circumstance that results or may result in any of the Purchaser Warranties being untrue, inaccurate or misleading as of the date of this Agreement or which results or may result in any of the Purchaser Warranties being untrue, inaccurate or misleading as of Completion Date, they shall notify the Sellers immediately and, in any event, prior to Completion setting out such details as are available with the Purchaser.

7.3 Company Warranties. The Company hereby represents, warrants and undertakes to the Sellers and the Purchaser in the terms set forth in **Schedule 7 (“Company Warranties”)**. The Company Warranties shall be deemed to be repeated as at Completion as if they were made on and as of the Completion Date and all references therein to the date of this Agreement or the Execution Date were references to the Completion Date. If the Company becomes aware of any fact or circumstance that results or may result in any of the Company Warranties being untrue, inaccurate or misleading as of the date of this Agreement or which results or may result in any of the Company Warranties being untrue, inaccurate or misleading as of Completion Date, they shall notify the Purchaser and the Sellers immediately and, in any event, prior to Completion setting out such details as are available with the Company.

7.4 No Reliance or Restitution. The Sellers agree and undertake that they are not relying on the Company, its officers, employees, or directors in any manner whatsoever in relation to providing any of the Seller Warranties or undertakings and covenants under this Agreement. The Sellers shall not seek restitution from the Company, its officers, employees, or directors for any amounts paid by the Sellers under the terms of this Agreement and the Sellers expressly waive all rights in law, equity or otherwise in respect of such restitution.

8 INDEMNITY

8.1 The provisions of this Clause 8 (*Indemnity*) shall become effective and binding on and from the Completion Date.

8.2 Each of the Sellers hereby agrees to indemnify and hold harmless the Purchaser, its Affiliates

and their respective directors, employees and agents (“**Indemnified Person**”) at any time and from time to time, from and against any and all Losses in connection with, arising out of or resulting from: (a) any inaccuracy, mis-statement or any breach of any Seller Warranty of such Seller, or (b) the failure by the Seller to fulfil any of its covenants contained in this Agreement.

- 8.3 Any claim, for indemnity against the Sellers pursuant to this Clause 8 (“**Claim**”) shall be made by the Indemnified Person by notice in writing to the Sellers (“**Claim Notice**”) at any time after the Completion Date, and the Sellers shall, subject to the provisions of this Clause 8, forthwith on receipt of the Claim Notice reimburse the Indemnified Person an amount equal to all Losses in relation to such Claim.
- 8.4 Notwithstanding anything to the contrary contained herein: (a) the Sellers shall not be liable to any Indemnified Person for any consequential, indirect, punitive, special or incidental damages arising in any manner or form, irrespective of whether such liability is based on contract, tort (including negligence) or otherwise; and (b) the maximum amount that Sellers shall be liable to indemnify the Indemnified Person under this Clause 8 for any or all Losses for all Claims, other than Claims involving fraud, gross negligence or wilful misconduct, shall not exceed the Purchase Consideration.
- 8.5 To the extent the payment by the Sellers of any indemnification payment pursuant to the provisions of this Clause 8 shall be subject to receipt of Governmental Approvals (if required), the Sellers shall be responsible for obtaining all such Governmental Approvals and shall make all applications and take all steps required to obtain the same. Alternatively, if required by the Indemnified Person, the Claim amount shall be paid to its Affiliates.
- 8.6 The rights of an Indemnified Person pursuant to this Clause 8 shall be in addition to and not exclusive of, and shall be without prejudice to, any other rights and remedies available to such Indemnified Person at equity or law including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby. For the avoidance of doubt, it is clarified that a waiver of any of the Conditions Precedent by the Purchaser in terms of Clause 3 would not limit the Indemnified Person’s ability to make a Claim in terms of this Clause 8 and all other rights in law and equity as set forth in this Clause 8.6.

9 CONFIDENTIALITY AND ANNOUNCEMENTS

- 9.1 General Obligation. Each Party agrees and undertakes that it shall not reveal, and shall ensure that its directors, officers, managers, employees (including those on secondment), Affiliates, legal, financial and professional advisors and bankers (collectively, “**Representatives**”) to whom Confidential Information is made available do not reveal, to any third party any Confidential Information, without the prior written consent of: (i) the Purchaser, in case of Confidential Information pertaining to the Purchaser or the Company, and (ii) the respective Sellers, in case of Confidential Information pertaining to that Seller. The term “**Confidential Information**” as used in this Agreement means (i) any information concerning the organisation, business, intellectual property, finance, transactions or affairs of the Party to this Agreement or any of their respective Representatives (whether conveyed in written, oral or in any other form and whether such information is furnished before, on or after the Execution

Date); (ii) any information whatsoever concerning or relating to (1) any dispute or claim arising out of or in connection with the Transaction Documents or the Scheme; or (2) the resolution of such claim or dispute; and (iii) any information or materials prepared by or for a Party or its Representatives that contain or otherwise reflect, or are generated from, Confidential Information.

9.2 Exceptions. The provisions of Clause 9.1 above shall not apply to:

9.2.1 disclosure of Confidential Information that is or comes into the public domain or becomes generally available to the public other than through the act or omission of or as a result of disclosure by or at the direction of a Party or any of its Representatives in breach of this Agreement;

9.2.2 disclosure, after giving prior notice to the other Parties to the extent practicable under the circumstances or permissible by Applicable Law and subject to any practicable arrangements to protect confidentiality, to the extent required under the rules of any stock exchange or by Applicable Law or governmental regulations or judicial process or generally accepted accounting principles applicable to any Party;

9.2.3 Confidential Information acquired independently by a Party from a third party source not obligated to the Party disclosing Confidential Information to keep such information confidential;

9.2.4 Confidential Information already known or already in the lawful possession of the Party receiving Confidential Information as of the date of its disclosure by the Person disclosing such Confidential Information; and

9.2.5 disclosure in connection with the performance of obligations or the exercise of rights (including remedies) under this Agreement.

9.3 The restrictions contained in this Clause 9 shall continue to apply after Completion, or termination of this Agreement without limit in time, provided however that, the Purchaser shall not be bound by the obligations set out in Clause 9.1 with respect to any information with respect to the Company following Completion.

9.4 Notwithstanding what is stated herein, the Purchaser shall be entitled to disclose the Agreement and the transactions contemplated therein and provide such information as may be required in relation to the same: (i) to their lenders, creditors, prospective lenders, creditors and investors and prospective investors, and (ii) in compliance with their obligations under the Takeover Regulations.

9.5 Subject to the provisions of this Clause 9, no announcement, circular or communication concerning the transactions and matters contemplated herein shall be made by any Party (or any Affiliates of the Parties or Representatives of a Party) without the prior written consent of the Purchaser, except for announcements, intimations and filings required to be made under the Takeover Regulations.

10 TERMINATION

10.1 This Agreement shall stand terminated:

10.1.1 prior to the Effective Date, in case of termination pursuant to Clause 3.10.2 or 3.11.2;

10.1.2 prior to the Effective Date, at the election of the Purchaser if the Sellers have breached any Seller Warranties, or any other covenant or agreement of the Sellers contained in this Agreement and such breach cannot be or is not cured within 30 (thirty) days of being notified in writing of the same;

10.1.3 prior to the Effective Date, automatically (without any further action by any Party) if the IA and/ or the Adi Option Agreement and/ or the Other FOL SPA and/ or the Fairfax Option Agreement are terminated in accordance with their respective terms;

10.1.4 at any time by mutual consent of the Sellers and the Purchaser in writing; or

10.1.5 in the event the Scheme is not approved by the National Company Law Tribunal.

10.2 Except as otherwise specifically provided herein, the termination of this Agreement for any reason whatsoever shall be without prejudice to any rights or obligations accrued to or in respect of the Parties prior to the date of termination and shall not release any Party from any liability that at the time of termination has already accrued to any other Party, or which thereafter may accrue in respect of any act or omission taken or suffered prior to or on such termination, nor shall any such termination hereof affect in any way the survival of any right, duty or obligation of any such Party which is expressly stated to survive termination hereof.

10.3 If this Agreement is terminated pursuant to Clause 10.1 above, this Agreement shall have no further force or effect and, unless expressly provided otherwise in this Agreement, no Party shall have any further liability or obligation with respect to this Agreement. The provisions of Clauses 8 (*Indemnity*), 9 (*Confidentiality and Announcements*), 11 (*Governing Law*), 12 (*Arbitration*), 13 (*Miscellaneous*) and this Clause 10.3, shall survive the termination of this Agreement together with such provisions which expressly or by implication survive termination and nothing herein shall relieve any Party from its obligations under such provisions or from any liability pursuant to this Agreement prior to its termination.

11 GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of India without reference to its conflict of laws principles.

12 ARBITRATION

12.1 Arbitration. Any dispute or claim arising out of or in connection with or relating to this Agreement or the breach, termination or invalidity hereof (“**Dispute**”), shall be referred at the request in writing (“**Dispute Notice**”) of any Party to binding arbitration by a panel of 3 (three) arbitrators (the “**Arbitration Board**”) in accordance with Rules of the Singapore International Arbitration Centre (the “**Rules**”) as may be modified by the provisions of this

Clause 12. Within 21 (twenty one) days after one Party has served a Dispute Notice, the Sellers shall jointly appoint 1 (one) arbitrator and the Purchaser shall appoint 1 (one) arbitrator. The 2 (two) arbitrators so appointed shall appoint a third arbitrator within 7 (seven) days of the appointment of the last of the two arbitrators. If the Parties cannot agree on the appointment of an arbitrator, the arbitrator shall be appointed in accordance with the Rules. All arbitration proceedings shall be conducted in the English language and the seat of arbitration shall be in Singapore. The Parties would be entitled to seek interim relief from the courts of India. The arbitrators shall decide any such dispute or claim strictly in accordance with the governing law specified in Clause 11. Judgment upon any arbitral award rendered hereunder may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.

12.2 Costs. The costs and expenses of the arbitration, including the fees of the arbitration and the Arbitration Board, shall be borne equally by each Party to the dispute or claim and each Party shall pay its own fees, disbursements and other charges of its counsel, except as may be determined by the Arbitration Board. The Arbitration Board would have the power to award interest on any sum awarded pursuant to the arbitration proceedings and such sum would carry interest, if awarded, until the actual payment of such amounts.

12.3 Final and Binding. Any award made by the Arbitration Board shall be final and binding on each of the Parties that were parties to the dispute.

12.4 Continuing Obligation. Subject to the award of the Arbitration Board, neither the existence of any Dispute nor the fact that any arbitration is pending hereunder shall relieve any of the Parties of their respective obligations under this Agreement. Subject to any award of the Arbitration Board, the pendency of a Dispute in any arbitration proceeding shall not affect the performance of the obligations under this Agreement.

13 MISCELLANEOUS

13.1.1 Any notice provided for in this Agreement shall be in writing and shall be (i) sent by postage, prepaid registered post with acknowledgement due or by internationally recognized courier service, or (ii) transmitted by email:

A. In the case of notices to the Purchaser:

Address: Level 1, Maeva Tower, Silicon Avenue, Cybercity, Ebene
72201 Mauritius
Attention: Ms. Amy Tan
Email: amy.tan@fihmauritius.com
With copy to: info@fihmauritius.com

B. In the case of notices to the Sellers :

Address: Privi Organics India Limited, Privi House, A-71, TTC, Thane
Belapur Road, Kopar Khairane, Navi Mumbai – 400 709,
Maharashtra, India

Attention: Mr. D.B. Rao
Email: rao@privi.co.in

C. In the case of notices to the Company:

Address: C/o: Fairchem Speciality Limited, 253/P & 312, Village Chekhala, Sanand kadi Highway, Tal. Sanand, Dist. Ahmedabad - 382115
Tel: Board No.: 90163 24095, Mobile No.: 76219 76865
Attention: Mr. Rajen Jhaveri
Email: rajen.jhaveri@fairchem.in

13.1.2 All notices shall be deemed to have been validly given on (i) the Business Day immediately after the date of transmission, if transmitted by email transmission, and (ii) the expiry of 7 (seven) days after posting, if sent by post.

13.1.3 Either 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 Party not less than 10 (ten) days' prior written notice.

13.2 Further Assurances

13.2.1 The Parties to this Agreement shall from time to time execute and deliver all such further documents and do all acts and things as the other Party may reasonably require to effectively carry on the full intent and meaning of this Agreement and to complete the transactions contemplated hereunder.

13.2.2 If, for any reason whatsoever, any term contained in this Agreement cannot be performed or fulfilled, the Parties agree to meet and explore alternative solutions depending upon the new circumstances, but keeping in view the spirit and core objectives of this Agreement.

13.3 Seller Representatives

Mr. Mahesh Babani and Mr. D. B. Rao (“**Seller Representatives**”) have been irrevocably appointed as agents and attorneys in fact for each of the Sellers, with respect to the actions or obligations in this Agreement to be performed or made by the Sellers, to perform such actions and obligations under this Agreement, agree and execute any amendments to the provisions of this Agreement, to give and receive notices and communications, to agree to negotiate, enter into settlements and compromises of, and demand arbitration and comply with orders of courts and awards of arbitrators with respect to this Agreement and to take or exercise all rights of such Sellers. Any decision, act, action, consent, waiver or instruction communicated/ issued by the Seller Representatives shall be deemed to be the collective decision of each of the Sellers and shall be final, binding and conclusive upon each of the Sellers, and the other Parties may rely upon any decision, act, action, consent, waiver or instruction of the Seller Representatives, as being the decision, act, action, consent, waiver or instruction of each of the Sellers, without any further enquiry. Such decision, act, action, consent, waiver or instruction shall be deemed to be a valid and binding decision, act, action, consent, waiver or

instruction of each of the Sellers under this Agreement, only if the same is executed/ communicated/ issued by the Seller Representatives.

13.4 Amendments

No modification or amendment to this Agreement shall be valid or binding unless made in writing and duly executed by or on behalf of the Parties.

13.5 Waiver

No failure or delay on the part of any Party to this Agreement relating to the exercise of any right, power, privilege or remedy provided under this Agreement shall operate as a waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the other Party to this Agreement nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise of such or any other right, power, privilege or remedy provided in this Agreement all of which are several and cumulative and are not exclusive of each other or of any other rights or remedies otherwise available to a Party under Applicable Law or in equity.

13.6 Assignment

This Agreement and the rights and liabilities hereunder shall bind and inure to the benefit of the respective successors of the Parties hereto. The Parties shall not assign or transfer any of their rights and liabilities hereunder to any other Person without the prior written consent of the other Party, provided however that subject to compliance with Applicable Law the Purchaser shall be entitled to transfer its rights, interest and obligations hereunder to any other Affiliate of the Purchaser.

13.7 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. 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 right under or arising out of this Agreement or of the subsequent breach, or acquiescence to or recognition of rights other than as expressly stipulated in this Agreement.

13.8 Independent Rights

Each of the rights of the Parties hereto under this Agreement are independent, cumulative and without prejudice to all other rights available to them, and the exercise or non-exercise of any such rights shall not prejudice or constitute a waiver of any other right of the Party, whether under this Agreement or otherwise.

13.9 Specific Performance and other remedies

Each Party acknowledges and agrees that the breach of this Agreement would cause

irreparable damage to the other Parties and that the other Parties may not have an adequate remedy at law. Therefore, the obligations of each Party under this Agreement, shall be enforceable by a decree of specific performance issued by any court of competent jurisdiction, and appropriate injunctive relief may be applied for and granted in connection therewith or otherwise. Such remedies shall, however, be cumulative and not exclusive and shall be in addition to any other remedies which any Party may have under this Agreement.

13.10 Costs, Taxes And Expenses

Notwithstanding anything contained herein or the other Transaction Documents, the stamp duty payable on this Agreement and in connection with the sale and transfer of the Sale Shares by the Sellers to the Purchaser pursuant to this Agreement shall be borne by the Purchaser. The cost and expenses incurred in fulfilling any Condition Precedent which is required to be fulfilled under this Agreement shall be borne by the Company.

13.11 Entire Agreement

This Agreement, along with the Transaction Documents, constitute the entire agreement of the Parties relating to the subject matter hereof and supercedes any and all prior agreements, including letters of intent and term sheets, either oral or in writing, between the Parties hereto with respect to the subject matter herein.

13.12 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 for any reason including by reason of any law or regulation or government policy, 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 invalid and unenforceable provision.

13.13 No Partnership

Nothing contained in this Agreement shall constitute or be deemed to constitute a partnership between the Parties, and no Party shall hold himself out as an agent for the other Party or any of them, except with the express prior written consent of the other Party.

13.14 Counterparts

This Agreement may be executed in any number of counterparts, and each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original, but, taken together, they shall constitute one and the same instrument. The delivery of signed counterparts by facsimile transmission or electronic mail in “portable document format” (“.pdf”) shall be as effective as signing and delivering the counterpart in person.

[signature pages follow]

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be duly executed and delivered by their duly authorized representatives on the day and year first above written.

Signed and delivered for and on behalf of
FAIRCHEM ORGANICS LIMITED



By:
Title: Authorised Signatory

i

FOL SPA - hsets


Signed and delivered for and on behalf of
FIH MAURITIUS INVESTMENTS LTD

A handwritten signature in blue ink, appearing to be 'Anup', written over a horizontal line.


By: *Anup*
Title: Authorised Signatory



Signed and delivered by
MR. MAHESH BABANI

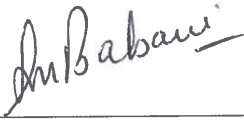


Signed and delivered for and on behalf of
MAHESH PURSHOTTAM BABANI HUF
For MAHESH PURSHOTTAM BABANI HUF

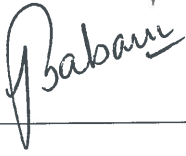

_____ **KARTA**

By:
Title: Karta

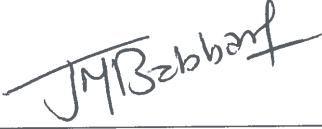
Signed and delivered by
MRS. SEEMA BABANI



Signed and delivered by
MS. SNEHAL BABANI



Signed and delivered by
MS. JYOTI BABANI



Signed and delivered for and on behalf of
MONEYMART SECURITIES PRIVATE LIMITED
For MONEYMART SECURITIES PVT. LTD.

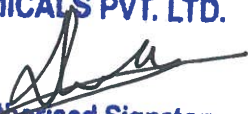


Authorised Signatory

By:

Title: Authorised Signatory

Signed and delivered for and on behalf of
VIVIRA CHEMICALS PRIVATE LIMITED
For VIVIRA CHEMICALS PVT. LTD.



_____ **Authorised Signatory**

By:

Title: Authorised Signatory

Signed and delivered by
MR. DOPPALAPUDI BHAKTAVATSALA RAO



Signed and delivered by
MS. D. PREMALEELA



Signed and delivered by
MR. D. VINAYKUMAR



Signed and delivered by
MR. D. VIJAYKUMAR



Signed and delivered by
MS. GRACE VINAYKUMAR



Signed and delivered by
MS. SHARON VIJAYKUMAR



Signed and delivered by
MR. D. RAJKUMAR



Signed and delivered by
MRS. PRASANNA RAJKUMAR



Signed and delivered by
MR. GUDURU RAMESH



Signed and delivered for and on behalf of
VIVIRA INVESTMENT AND TRADING PRIVATE LIMITED

For Vivira Investment And Trading Pvt. Ltd.



Authorised Signatory

By:

Title: Authorised Signatory

SCHEDULE 1

LIST OF SELLERS

1. Mr. Mahesh Babani
2. Mahesh Purshottam Babani HUF
3. Mrs. Seema Babani
4. Ms. Snehal Babani
5. Ms. Jyoti Babani
6. Moneymart Securities Private Limited
7. Vivira Chemicals Private Limited
8. Mr. Doppalapudi Bhaktavatsala Rao
9. Mr. D. Premaleela
10. Mr. D. Vinaykumar
11. Mr. D. Vijaykumar
12. Ms. Grace Vinaykumar
13. Ms. Sharon Vinaykumar
14. Mr. D. Rajkumar
15. Mrs. Prasanna Rajkumar
16. Mr. Guduru Ramesh
17. Vivira Investment and Trading Private Limited

SCHEDULE 2

ADI GROUP

1. Mr. Utkarsh Bhikhoobhai Shah
2. Nahoosh Tradelink LLP
3. Jariwala Tradelink LLP

SCHEDULE 3

PART A: SHAREHOLDING OF THE COMPANY AS ON THE EFFECTIVE DATE

Shareholder	No. of Shares	%
Adi Group	341,666	2.62%
Sellers	2,952,591	22.68%
Purchasers	6,348,692	48.76%
Public	3,377,953	25.94%
TOTAL	13,020,902	100.00%

PART B: PROPORTION OF SALE SHARES TO BE SOLD BY SELLERS

Seller	No. of Shares
Mr. Mahesh Babani	848,524
Mahesh Purshottam Babani HUF	471,458
Mrs. Seema Babani	24,440
Ms. Snehal Babani	79,926
Ms. Jyoti Babani	35,523
Money mart Securities Private Limited	54,392
Vivira Chemicals Private Limited	20,987
Mr. Doppalapudi Bhaktavatsala Rao	190,260
Mr. D. Premaleela	46,620
Mr. D. Vinaykumar	125,850
Mr. D. Vijaykumar	119,726
Ms. Grace Vinaykumar	39,430
Ms. Sharon Vinaykumar	41,718
Mr. D. Rajkumar	117,310
Mrs. Prasanna Rajkumar	48,751
Mr. Guduru Ramesh	15,869
Vivira Investment and Trading Private Limited	49,973
TOTAL	2,330,758

PART C: SHAREHOLDING PATTERN OF THE COMPANY AS ON COMPLETION DATE (UPON COMPLETION)*

Shareholder	No. of Shares	%
Adi Group	963,499	7.40%
Sellers	-	-
Purchasers	8,679,450	66.66%
Public	3,377,953	25.94%
TOTAL	13,020,902	100.00%

**The above table: (a) factors in completion of the transactions contemplated under this Agreement and the Other FOL SPA; and (b) does not factor in any shares that may be acquired as part of the Company Public Offer.*

SCHEDULE 4

FORMAT OF CP SATISFACTION CERTIFICATE

Dated:

To,

[•]

Dear Sirs,

Re: Share Purchase Agreement dated May 22, 2019 (“Agreement”) between the Privi Group (collectively known as the “Sellers”), FIH Mauritius Investments Ltd (the “Purchaser”) and Fairchem Organics Limited (as “Company”).

We refer to the Agreement. All capitalized terms used but not defined in this certificate shall have the respective meanings assigned to them under the Agreement.

Pursuant to Clause [3.1/3.2/3.3] of the Agreement, we hereby declare, state and confirm collectively that all the [Seller/ Company/ Purchaser] Conditions Precedent specified in the Agreement have been satisfied on or before the date hereof and continue to be satisfied on the date hereof.

The confirmation contained in this certificate shall be binding on us and each of our respective Affiliates, and our respective representatives and successors.

The documents in relation to satisfaction of the [Sellers/ Company/ Purchaser] Conditions Precedent are enclosed herewith.

Yours sincerely,

For and on behalf of the [Sellers/ Company/ Purchaser]

Authorized Signatory

SCHEDULE 5

SELLER WARRANTIES

Each of the Sellers jointly and severally represents and warrants to the Purchaser:

1. as of the Execution Date and the Completion Date:
 - (a) each of the Sellers has full power and authority to enter into, and comply with its obligations under this Agreement. The execution and delivery by the Sellers of this Agreement and the performance by the Sellers of the transactions contemplated hereby have been duly authorised by all necessary corporate actions of the Sellers (which are body corporates) and this Agreement constitutes a valid and binding obligation of such Seller enforceable against it, in accordance with its terms;
 - (b) each Seller who is a body corporate, is a company duly incorporated and organized and existing under the laws of India;
 - (c) each Seller (who is a natural Person) is a resident Indian citizen according to the provisions of the Foreign Exchange Management Act, 1999 and the IT Act;
 - (d) there is no order of any Governmental Authority or any claims, investigations or proceedings before any Governmental Authority pending against, threatened in writing against or relating to the Sellers, which could reasonably be expected to prevent the Sellers from fulfilling its obligations set out in this Agreement or arising from this Agreement;
 - (e) the execution and delivery of this Agreement, and the consummation of the transaction contemplated hereby by any of the Sellers, and the fulfilment of and compliance with the terms and conditions hereof, do not conflict with or violate, or accelerate any obligation under the terms, conditions and/or provisions of: (i) any contractual obligations or arrangements entered into or applicable otherwise to any of the Sellers; or (ii) any provision of the organizational documents of the Sellers (which are body corporates); or (iii) Applicable Law;
 - (f) the Sellers are not insolvent nor have any insolvency proceedings of any character, including without limitation bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Sellers, been presented by such Seller or resolution passed or notice in writing of the same been received by the Sellers in this behalf, nor has any of the Sellers been appointed, or received or sent any written notice for the appointment of, a liquidator or provisional liquidator or administrator to the Sellers or any of its assets. No event or circumstance has occurred or is existing which would result in a winding up action being initiated by any Person against any of the Sellers (which are body corporates), including pursuant to which the transactions contemplated under this Agreement maybe deemed to be in the nature of fraudulent preference; and
 - (g) The cost of acquisition of the Sale Shares by the Sellers for the purposes of computation

of capital gains tax under the IT Act is INR 10 (Rupees ten).

2. as of the Completion Date:

- (a) the Sellers are the sole legal and beneficial owners and registered holders of all the Sale Shares set out against their respective names in **Part A of Schedule 3** hereto, free and clear of any Encumbrances (or any agreements to create any Encumbrance)
- (b) the Sale Shares have been validly acquired and held in accordance with Applicable Laws, and all necessary filings with the Company and all Governmental Authorities in relation to the Sale Shares, as required under Applicable Laws, have been validly, duly and correctly made and there are no notices, correspondence, claims in relation thereto from any Governmental Authority;
- (c) the Sale Shares held by the Sellers are duly authorized, legally and validly issued and allotted, fully paid up, and held in dematerialized form;
- (d) the Sellers have legal, valid and marketable title in respect of the Sale Shares and, upon Completion, the Purchaser shall have valid and marketable title in respect thereof, free and clear of all Encumbrances, subject to the Transaction Documents;
- (e) the Sellers Warranties made by the Sellers hereunder in relation to the Sale Shares held by them, are true, correct and complete in all respects; and
- (f) there is no Tax proceeding initiated, pending or subsisting against the Sellers that can adversely affect the transfer of the Sale Shares under Section 281 of the IT Act. Further, no notice under Rule 2 of the Second Schedule of the IT Act has been served on any of the Sellers. There are no tax proceedings, inquiries or investigations against any of the Sellers under the provisions of the IT Act that could necessitate obtaining a certificate from the relevant tax authorities under Section 281 of the IT Act in connection with the Sale Shares.

SCHEDULE 6

PURCHASER WARRANTIES

The Purchaser represents and warrants to the Sellers that as of the Execution Date and the Completion Date:

1. It has full power and authority to enter into, and comply with its obligations under this Agreement. The execution and delivery by the Purchaser of this Agreement and the performance by the Purchaser of the transactions contemplated hereby have been duly authorised by necessary corporate actions of the Purchaser and this Agreement constitutes a valid and binding obligation of such Seller enforceable against it, in accordance with its terms;
2. It is a body corporate, is a company duly incorporated and organized and existing under the laws of Mauritius;
3. There is no order of any Governmental Authority or any claims, investigations or proceedings before any Governmental Authority pending against, threatened in writing against or relating to the Purchaser, which could reasonably be expected to prevent the Purchaser from fulfilling its obligations set out in this Agreement or arising from this Agreement;
4. The execution and delivery of this Agreement, and the consummation of the transaction contemplated hereby by any of the Purchaser, and the fulfilment of and compliance with the terms and conditions hereof, do not conflict with or violate, or accelerate any obligation under the terms, conditions and/or provisions of: (i) any contractual obligations or arrangements entered into or applicable otherwise to any of the Purchaser; (ii) any provision of the organizational documents of the Purchaser; or (iii) Applicable Law; and
5. It is not insolvent nor have any insolvency proceedings of any character, including without limitation bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Purchaser, been presented by the Purchaser or resolution passed or notice in writing of the same been received by the Purchaser in this behalf, nor has the Purchaser been appointed, or received or sent any written notice for the appointment of, a liquidator or provisional liquidator or administrator to the Purchaser or any of its assets. No event or circumstance has occurred or is existing which would result in a winding up action being initiated by any Person against the Purchaser, including pursuant to which the transactions contemplated under this Agreement may be deemed to be in the nature of fraudulent preference.

SCHEDULE 7

COMPANY WARRANTIES

The Company severally represents and warrants to the Purchaser and the Sellers that as of the Execution Date and the Completion Date:

1. The Company has full power and authority to enter into, and comply with its obligations under this Agreement. The execution and delivery by the Company of this Agreement and the performance by the Company of the transactions contemplated hereby have been duly authorised by all necessary corporate actions of the Company and this Agreement constitutes a valid and binding obligation of the Company enforceable against it, in accordance with its terms;
2. The Company is a company duly incorporated and organized and existing under the laws of India;
3. There is no order of any Governmental Authority or any claims, investigations or proceedings before any Governmental Authority pending against, threatened in writing against or relating to the Company, which could reasonably be expected to prevent the Company from fulfilling its obligations set out in this Agreement or arising from this Agreement;
4. The execution and delivery of this Agreement, and the consummation of the transaction contemplated hereby by any of the Company, and the fulfilment of and compliance with the terms and conditions hereof, do not conflict with or violate, or accelerate any obligation under the terms, conditions and/or provisions of: (i) any contractual obligations or arrangements entered into or applicable otherwise to the Company; (ii) any provision of the organizational documents of the Company; or (iii) Applicable Law;
5. The Company is not insolvent nor have any insolvency proceedings of any character, including without limitation bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Company, been presented by such Company or resolution passed or notice in writing of the same been received by the Company in this behalf, nor has the Company been appointed, or received or sent any written notice for the appointment of, a liquidator or provisional liquidator or administrator to the Company or any of its assets. No event or circumstance has occurred or is existing which would result in a winding up action being initiated by any Person against the Company, including pursuant to which the transactions contemplated under this Agreement maybe deemed to be in the nature of fraudulent preference; and
6. The Sale Shares comprise the percentage of equity shareholding of the Company as set out in **Part A of Schedule 3** hereto.