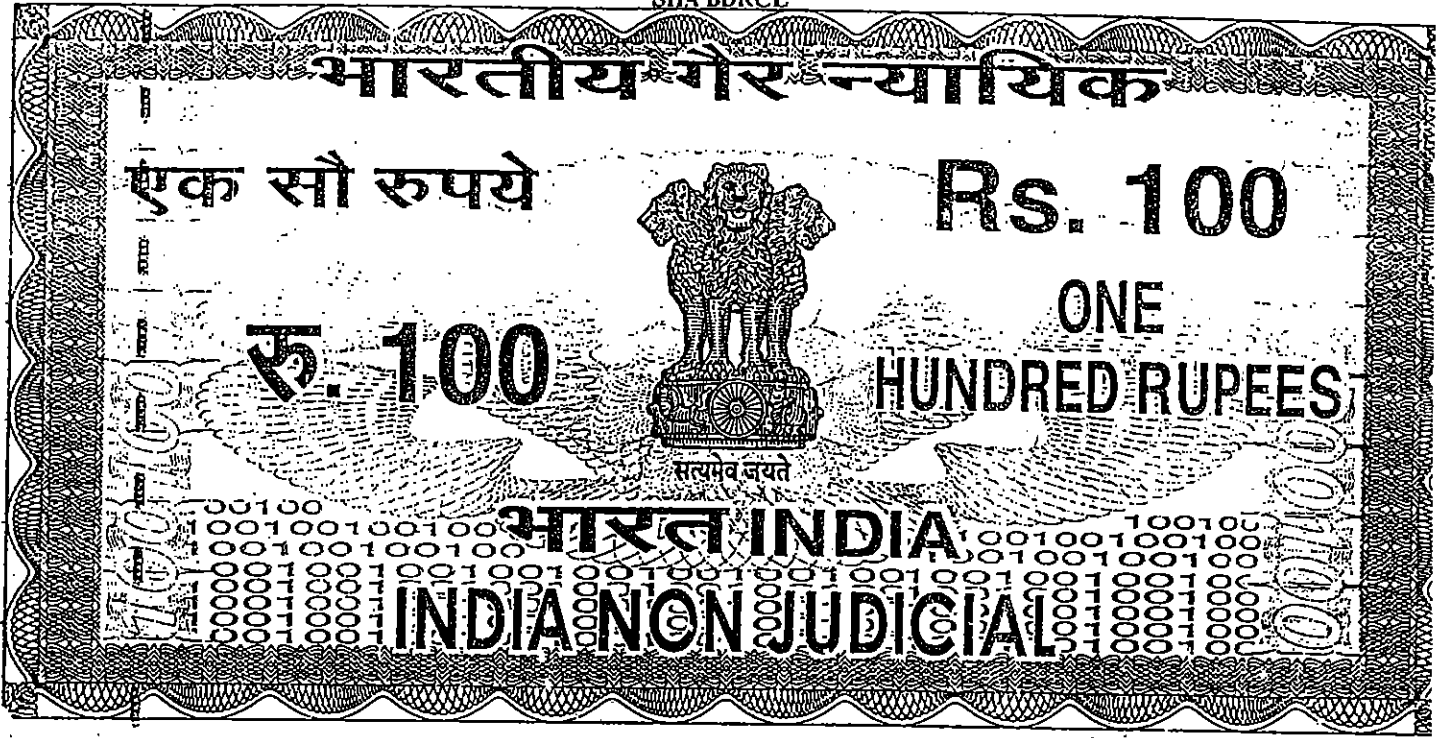


BHARUCH DAHEJ RAILWAY COMPANY LIMITED

**SHAREHOLDERS
AND
SHARE SUBSCRIPTION
AGREEMENT**

JANUARY 12, 2007



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SHAREHOLDERS AND SHARE SUBSCRIPTION AGREEMENT

AMONGST

Rail Vikas Nigam Limited (RVNL)

And

Gujarat Maritime Board (GMB)

And

Adani Petronet (Dahej) Port Private Limited (APDPPL)

And

Gujarat Narmada Valley Fertilizers Company Limited (GNFC)

And

Dahej SEZ Limited (DSL)

And

Bharuch-Dahej Railway Company Limited (BDRCL)

For

Bharuch-Samni-Dahej Gauge Conversion Project on Western Railway

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This SHAREHOLDERS' AGREEMENT made at Ahmedabad on January 12, 2007, by and amongst:

Rail Vikas Nigam Limited, a company incorporated under provisions of Companies Act, 1956, having its registered office at August Kranti Bhawan, Bhikaji Cama Place, New Delhi - 110066, India (hereinafter referred to as "RVNL" which expression shall, unless excluded by or repugnant to or inconsistent with the context, mean and include the successors-in-office and assigns) on the ONE PART;

Gujarat Maritime Board, a public sector undertaking under Government of Gujarat, having its registered office at Sector 10-A, opposite Air Force Station, Gandhinagar-382010, Gujarat, India (hereinafter referred to as "GMB" which expression shall, unless repugnant to or inconsistent with the context, mean and include the successors and permitted assigns) on the SECOND PART;

Adani Petronet (Dahej) Port Private Limited, a company incorporated under provisions of the Companies Act, 1956 having its registered office at Adani House, Shrimali Society, Mithakhali, 6 Roads, Navrangpura, Ahmedabad, Gujarat, India (hereinafter referred to as "APDPPL" which expression shall, unless repugnant to or inconsistent with the context, mean and include the successors and permitted assigns) on the THIRD PART;

Gujarat Narmada Valley Fertilizers Company Limited, a company incorporated under provisions of the Companies Act, 1956, having its registered office at P.O. Narmadanagar - 392015, District Bharuch, Gujarat, India (hereinafter referred to as "GNFC", which expression shall, unless repugnant to or inconsistent with the context, mean and include the successors in business and permitted assigns) on the FOURTH PART;

Dahej SEZ Limited a company incorporated under provisions of the Companies Act, 1956, having its registered office at GIDC, Udyog Bhawan, Gandhinagar, Gujarat, India (hereinafter referred to as "DSL", which expression shall, unless repugnant to or inconsistent with the context, mean and include the successors in business and permitted assigns) on the FIFTH PART;

(RVNL, GMB, APDPPL, GNFC and DSL, are collectively referred to herein as "Parties")

AND

BHARUCH-DAHEJ RAILWAY COMPANY LIMITED, a company incorporated under provisions of the Companies Act, 1956 having its registered office at August Kranti Bhawan (First Floor), Bhikaji Cama Place, New Delhi - 110066, India (hereinafter referred to as "BDRCL" or "the Company") which expression shall, unless repugnant to or inconsistent with the context, mean and include the successors and permitted assigns); on the other part;

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WHEREAS

- A. Ministry of Railways, Government of India have launched National Rail Vikas Yojana for speedy development of Rail infrastructure which includes de-bottlenecking of Golden Quadrilateral, providing port connectivity and development of corridors to hinter land;
- B. Gauge Conversion of Bharuch-Samni-Dahej Railway Line between Bharuch and Dahej is an identified project of port connectivity under National Rail Vikas Yojana;
- C. National Rail Vikas Yojana being largely a non-budgetary initiative envisages public-private partnership model of financing and implementation of port connectivity projects;
- D. Ministry of Railways has set up RVNL for implementing National Rail Vikas Yojana. A Memorandum of Understanding has been signed on 16.10.2003 between Ministry of Railways and RVNL for implementing NRVY projects directly or through BOT route or may create project specific SPVs or any other financial structure, which is suitable for a particular project.
- E. RVNL, GIDB and GMB have signed a Memorandum of Understanding on January 13, 2005 for implementing Bharuch-Dahej Railway Line Gauge Conversion project through a Special Purpose Vehicle.
- F. RVNL, GMB, APDPPL, GNFC and DSL have joined together to form a Special Purpose Vehicle (SPV) under the name and style of Bharuch Dahej Railway Company Limited ("BDRCL"). BDRCL shall take over the responsibility for implementation of the Project which shall include raising the necessary finances for the Project, completion of Civil Works and other Works for gauge conversion of railway line, installation of equipment and facilities for the Project, testing and commissioning and subsequent operations and maintenance of the railway line for a period as specified in the Concession Agreement;
- G. RVNL and APDPPL have registered a company namely Bharuch Dahej Railway Company Limited of No. U45203DL2006PLC155511 of 2006, having its registered office at August Kranti Bhawan (First Floor), Bhikaji Cama Place, New Delhi - 110066, India, with a view to use it as the aforesaid Special Purpose Vehicle (SPV).
- H. The Parties desire to record herein their agreement on the structure, scope, management and operation of the Company and wish to set forth their respective rights, obligations and relations inter se.

- I. The Parties have agreed to enter into this Agreement and have also agreed that their respective rights and obligations in relation to the subject matter of this Agreement will be interpreted, acted upon and governed solely in accordance with the terms and conditions of this Agreement and the Memorandum of Association and Articles of Association of the Company, as shall be amended in terms hereof. In the event of any conflict between the terms of this Agreement and the Memorandum of Association and/ or Articles of Association of the Company, the terms and conditions of this Agreement shall prevail as between the Parties and accordingly the Parties shall exercise all voting and other rights and powers available to them so as to amend the Memorandum of Association and Articles of Association in order to give effect to the provisions of this Agreement.
- J. The Parties desire to record herein their respective representations, warranties, undertakings and covenants in respect of regulating, as between themselves, the ownership, management and other affairs of the Company.

NOW THEREFORE in consideration of the mutual covenants and agreements and other good and valuable consideration the parties hereto agree as follows:

1. DEFINITIONS & INTERPRETATIONS

1.1 Definitions

In this Agreement, except to the extent that the subject or context otherwise requires, shall have the following meanings:

"Act" shall mean the Companies Act, 1956, and, wherever applicable, the Rules framed there under and any subsequent amendment or re-enactment thereof for the time being in force

"Affiliate" shall mean:

- i. Where a Party is a company, any subsidiary of such Party, the holding company of such Party or any subsidiary of such holding company of such Party; and
- ii. Where a Party is a Government Department or statutory corporation any Government department or Public Sector Undertaking or Statutory corporation nominated by such Party.

"Agreement" shall mean this Shareholders' and Subscription Agreement as amended from time to time by an instrument in writing signed by duly authorised representatives of each of the Parties

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"Articles" means the Articles of Association of the Company, as amended from time to time.

"Board" or "Board of Directors" means board of directors of the Company.

"Business" means the business of the Company as described in Article 2 of this Agreement.

"Business Day" means any day other than a Saturday, a Sunday, or a day on which banks in Ahmedabad are authorized or required by law to be closed.

"Civil Works" means all of the civil construction work in the Project and includes construction of bridges, earthworks, formation (the raised bund on which the ballast and sleeper are laid, to support the railway lines), and platforms, development of approach roads and new station buildings and any other related civil construction in accordance with the Concession Agreement.

"Concession Agreement" means the agreement in respect to the Project entered into by MoR and the Company and any amendment thereof.

"Commercial Operations Date" or "COD" means the date on which the safety certificate has been issued by Chief Engineer, Western Railway to the Company for freight operations.

"Deed of Adherence" shall mean a deed of adherence in the form and content set out in the draft deed attached hereto as Annexure A or B as may be applicable.

"Effective Date" means the date of signing of this Agreement.

"EPC Contract" means the contract inter alia, for the design, engineering, procurement of equipment and materials, execution of Civil Works and Gauge Conversion, installation of equipments, including signaling and telecommunications and any other facilities for the Project and testing and commissioning of the Project.

"Financial year" means a period of twelve months commencing from 1st April for any calendar year and ending on the 31st March of the next calendar year. Provided that the first Financial Year of the Company shall be from the date of its incorporation to March 31, 2007, unless otherwise extended by the Board.

"Fundamental Issues" means such issues or matters in respect of which special voting rights are provided for under this Agreement in terms of Article 6 & 7 hereof.

"GoG" means the Government of the State of Gujarat.

"GAAP" means generally accepted accounting principles consistently applied in India ("Indian GAAP") from time to time.

"IPO" means an initial public offering of Shares by the Company.

"Investor" means any person, other than the Parties to this agreement, who has invested in the equity capital of the Company after having executed the Deed of Adherence as set out in annexure B to this Agreement.

"Memorandum" means the Memorandum of Association of the Company, as amended from time to time.

"MoR" means Ministry of Railways, Government of India.

"O&M Contract" means the contract between the Company and Western Railway or any other competent authority, inter alia, for the purpose of operations and maintenance of the Project to be finalized/renewed or changed on mutually agreed terms and conditions.

"Party" or "Parties" means all those who are party to this Agreement or any of its affiliates, and include any other person which has duly executed the Deed of Adherence as set out in Annexure 'A'.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association or trust or any other entity or organization and may include a Party hereto.

"Project" means the Gauge conversion of 62.36 km long Bharuch (identified by Western Railways Chainage point Kilometers 0.0) and Dahej (identified by Western Railways Chainage point Kilometers 62.36) narrow gauge line to Broad Gauge and includes the completion of Civil Works, installation of equipments including signaling and telecommunications and any other facilities, testing and commissioning and subsequent operations and maintenance of the railway line and railway services thereon for a period as specified in the Concession Agreement. The construction of the Project will be done by RVNL under a contract with the Company.

"Project Cost" means basic project cost (which is Rs. 158.7 crores), financing charges, debt service reserve, pre operative expenses, contingencies etc. and is taken as Rs. 197.3 crores as worked out in the Supplementary Report prepared by M/S Feedback Ventures Private Limited, New Delhi in August, 2006.

"Representative Director" means any Director in the Board of the Company nominated under this Agreement by the Parties or an Investor.

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“Shares” means the equity shares of face value Rs.10/- each of BDRCL issued from time to time.

“Shareholder” means the holder of Shares for the time being and shall include any other Investor who is a registered holder of the shares of the Company and who through the execution of the Deed of Adherence has agreed to be bound by the terms of this Agreement; and “Shareholders” means collectively all those who hold Shares in the company.

“Super Majority Resolution” in relation to a Fundamental Issue refers to a special resolution as defined in the Act in the case of a general meeting of the Company along with an affirmative vote by RVNL.

In case of a meeting of the Board, a resolution on which two third of those directors present and being entitled to vote on such matter, vote in favour of the resolution with respect to such Fundamental issue, along with a affirmative vote by the Representative Director of RVNL.

“Transfer” in relation to Shares and/or other securities of the Company, shall mean the sale, assignment, pledge, transfer, alienation of, or the grant of any option or right to purchase or otherwise acquire Shares of the Company.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- a. the words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entitles (whether or not having a separate legal entity);
- b. headings are inserted for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extant or intent of this Agreement or any provision hereof in any manner whatsoever.
- c. the words “include” and “including” are to be construed without limitation;
- d. any reference to day, month or year shall mean a reference to a calendar day, calendar month or calendar year respectively;
- e. any reference at any time to any agreement, deed, instrument, license or document of any descriptions shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference;

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- f. references to recitals, Articles, sub-articles, clauses, or Schedules shall, except where the context otherwise requires, be deemed to be references to recitals, Articles, sub-articles, clauses and Schedules of or to this Agreement;
- g. any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or any Party shall be valid and effectual only if it is in writing under the hands of duly authorized representative of such Party in this behalf and not otherwise;
- h. any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates;

2. BUSINESS OF THE COMPANY

The Company has been established to implement the Project which shall include raising the necessary finances for the Project, completion of Civil Works, installation of equipment and facilities for the Project, testing and commissioning and subsequent operations and maintenance of the railway line for a period as specified in the Concession Agreement. For this purpose the Company shall enter into the EPC Contract, Traffic Guarantee Agreement and O&M contract, collect all specified revenues generated by the Project, and also undertake such other activities as may be considered necessary to implement the Project successfully and in accordance with the Concession Agreement

3. CAPITAL STRUCTURE, SHAREHOLDING, SHARE SUBSCRIPTION AND OTHER FUNDING ARRANGEMENTS

3.1 Capital Structure and Shareholding

The present authorized capital of the Company is Rs. 5 lakhs divided into fifty thousand equity shares of Rs.10 each. The company shall arrange to raise the limit of the authorized capital, as may be considered necessary, from time-to-time, to accommodate all future financial needs of the company in accordance with the requirements of the Business and/or the provisions of this Agreement. Based on the requirements of the Business and subject to the limit of the authorized capital, the company shall also issue demand notices for raising the paid up capital of the company.

3.2 Conversion of expenditure incurred on the Project into Equity Share Capital and construction of the project.

Since RVNL will continue with the physical progress of the project, the expenditure incurred on the project by MoR/RVNL till the date of incorporation

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of the company and thereafter on any Project-related activities including Civil Works, pre-incorporation expenses of the company, related expenses and expenses on feasibility studies conducted by MoR/RVNL, shall, after having been reviewed by an independent accounting firm and approved by the Board to be adjusted against the sum payable by RVNL towards its share of the equity of the company. The construction of the project will be done by RVNL under an agreement with BDRCL.

3.3 Agreement to Subscribe to Shares

- 3.3.1 Subject to the terms of this Agreement, it is intended that the total paid-up equity share capital of the Company shall be Rs 65 crores, divided into 6.5 crores equity share of the face value of Rs. 10/-each ("Proposed Paid-up Capital"). The Parties or their Affiliates herein have agreed to together subscribe to 6.5 crores of equity shares for an aggregate amount of Rs. 65 crores in the following manner:

Party's name	No. of shares Rs. 10 each (crores)	Subscription amount (Rs. crores)	Post Subscription Shareholding along with the holdings of their assigns (%age)
RVNL	2.5	25	33.33%
DSL	1.0	10	13.33%
GMB	1.0	10	13.33%
APDPPL	1.0	10	13.33%
GNFC	1.0	10	13.33%
Total	6.5	65	86.67%

Note: Cash contribution to above subscription amount will be reduced to the extent expenditure incurred by respective shareholders as covered in Article 3.2.

The Cash Calls shall be made by the Company on a quarterly basis by delivering to each Party a notice in writing (Cash Call Notice) to be issued by the person so authorized by the Board, which shall specify;

- The amount to be subscribed to by the Party for shares in order to fund that Cash Call. Such amount shall be in accordance with the relevant Annual Budget; and
- The date (Cash Call Payment Date) by which that Party shall be obliged to make payments (Advance) to the Company as subscription monies for such shares. The Cash Call Payment Date shall be not less than 30 days after the date of delivery of the Cash Call Notice.

The amount of Cash Call will be need based and shall be decided by the Board of BDRCL. Each Party upon whom a cash call is made shall be obliged to pay the Amount specified in the Cash Call Notice to the Company on or before close of Business Hours on the Cash Call Payment Date.

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The indicative cash call figures are illustrated in the table below:

Quarters beginning with the date of signing this Agreement	Amount in Rs. (Crores)
1 st	30 -
2 nd to 4 th	15

3.3.2 The Parties shall endeavor to identify an Investor who shall contribute the remaining balance amount of Rs. 10 crores of the Proposed Paid-up Capital and subscribe to the balance 1 crores equity shares of the Company. In the event that the Parties are unable to identify such Investor, the Board of the Company shall be free to decide on any appropriate means for funding the balance amount of Rs. 10 crores of the Proposed Paid-up Capital.

3.4 Allotment of Shares

Upon payment of all cash calls in respect to their allotted number of Shares, as specified in Article 3.3 above, by the Parties accordance with Article 3.2, 3.3 above, the Company shall allot shares as soon as possible and in any case not later than 45 days after realization of the entire subscription amount, and enter the name of each Party or its Nominee in its register of members, as a holder of Shares, and deliver to each of the Parties, or as each of them shall direct, the share certificates in respect thereof. The Company shall furnish to the Parties satisfactory evidence to the effect that all corporate action in connection with and necessary for the valid issue and allotment of the Shares including the passing of resolutions of the Shareholders and the Board of Directors, filing return of allotment with the Registrar of Companies and other formalities have been duly complied with. Pending allotment of Shares to the Parties, the Company shall be entitled to use the share subscription money or any part thereof towards the Project.

3.5 Parties Shares to Rank Pari Passu

The Shares issued, subscribed and allotted to the Parties in accordance with Article 3.2, Article 3.4 above, shall rank pari-passu in all respects and be identical with all Shares previously issued, subscribed and allotted with regard to all rights and benefits including but not limited to voting rights, dividends, stock splits, bonus issuance and rights issuance.

3.6 Other Funding Arrangements

The Parties have agreed that the anticipated balance Project Cost of Rs. 123 Crores will be funded through debt from banks, financial institutions and/or

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Investors. Any further increase in balance project cost in future shall be funded as per the decision of the Board.

4. **SHAREHOLDERS' RIGHTS**

4.1 **No Pledging of Shares**

The Parties shall not pledge, mortgage, hypothecate, charge or otherwise encumber or grant any security interests of any kind whatsoever on any of the Shares nor otherwise use such Shares as collateral for any purpose which could result in an involuntary Transfer of such Shares in favour of any Person.

4.2 **Pre-emptive Rights**

a. After the issue and allotment of Shares pursuant to Article 3.2, Article 3.3 and Article 3.4 of this Agreement, except in accordance with the provisions of Section 81 (1) of the Act, the Company shall not issue or allot any further Shares, unless such Shares have first been offered to the existing Shareholders of the Company at the time of issue of the such further Shares, in proportion to their shareholding on the date of such issue and allotment. Such offer to the existing Shareholders shall be in accordance with the provisions of Section 81 (1) of the Act.

b. In the event of issue of Shares to any new Investor, the parties shall ensure that any new Investor shall agree in writing to be bound by the provisions of this Agreement by execution of a Deed of Adherence in the form and manner specified at Annexure - "B" hereto.

4.3 **Lock-in Period**

Save as provided in Article 5 or elsewhere in this Agreement none of the Parties shall Transfer any part of the Shares acquired by them pursuant to the provisions of this Agreement from the date of this Agreement till four years after COD to any third party. In the event any Party wishes to sell / transfer its Shares after the lock-in period specified above, the other Shareholders shall have the right of first refusal in terms of Article 5.5.

5. **SHAREHOLDER'S RIGHT TO SELL AND TRANSFER SHARES**

5.1. Subject to the provisions of Article 4.1, Article 5 and Article 10, during the Lock-in Period the Parties agree not to sell, transfer, pledge, mortgage, charge, encumber or otherwise dispose of or create any lien on or interest in any of its Shares.

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5.2 Permitted Transfer during Lock-in period:

- (a) Party shall have the right at any time to transfer any of the Shares held by it to any one or more of its Affiliates who is capable of undertaking the obligations of the transferor. Provided that such transfer shall be permitted only once during the Lock-in period. Provided that the Party transferring its shares shall prior to such transfer deliver to each of the Parties hereto-
- (i) A Deed of Adherence in the form as set out in Annexure -A duly executed by the transferee;
 - (ii) A written agreement of the transferee that in the event the transferee shall cease to be an Affiliate of the Party Transferring the shares to it the transferee shall prior to such event transfer back all Shares held by it in the Company to the Party transferring the shares to it; and
- (b) An Affiliate of any Party, who is the transferee of any Shares pursuant to Article 5.2(a) hereof, shall also have the right to transfer any of the Shares held by it to another Affiliate of the same Party (Relevant Party), who is capable of undertaking the obligations of the transferor herein. Provided that such transfer shall be permitted only once during the Lock-in period. Provided further that the transferor shall have prior to such transfer obtained-
- (i) A Deed of Adherence in the form as set out in Annexure -A duly executed by the transferee, and
 - (ii) A written agreement of the transferee that in the event the transferee shall cease to be an Affiliate of the Relevant Party it shall prior to such event transfer all Shares held by it in the Company to the Relevant Party, or to another Affiliate(s) of Relevant Party; and
- 5.3 For the avoidance of doubt, none of the restrictions on transfer of Shares contained in this Agreement shall apply after the IPO.
- 5.4 **Rights and Obligations of Parties in the event of transfer:** The rights and obligations under this Agreement of a Party whose Shares are transferred pursuant to and in accordance with the terms hereof, other than in respect of any rights and obligations accrued prior to such transfer, shall cease upon such transfer, subject to the following:
- (a) Any director or directors nominated by a Party who ceases to be a shareholder shall resign from the Board without any claim or compensation or payment whatsoever;
 - (b) The provisions of Article 11 shall continue to apply to all Parties/Investors including those who have ceased to be a shareholder.

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- 5.5 After the expiry of the Lock-in period, if at any time a Party desires to transfer any Share ("Offeror") to a third person (the "Proposed Purchaser"), it shall first offer all such Shares, to the other Shareholders (each an "Offeree") in proportion to their respective shareholding, and in such event, the procedures in Articles 5.5.1 to 5.5.4 shall apply.
- 5.5.1 The Offeror shall give notice in writing ("Transfer Notice") to each Offeree stating:
- (a) The number of Shares corresponding to such Offeree's proportion of the Shares to be transferred (the "Offered Shares");
 - (b) The price at which each Offered Share is agreed to be sold by the Offeror and purchased by the Proposed Purchaser;
 - (c) The date by which the offer must be accepted by the Offeree (which date must be no sooner than 30 days after the date on which the Transfer Notice is delivered); and
 - (d) Payment terms.
- 5.5.2 If an Offeree accepts the offer for all the Offered Shares, it shall by the date indicated by Article 5.5.1 (c), so notify the Offeror in writing of its acceptance (the date of such acceptance notice being the "Acceptance Date") and pay for the Offered Shares within thirty (30) days of the Acceptance Date. Upon receipt of payment, the Offeror shall forthwith deliver the relevant Share Certificates and transfer documents to the Offeree.
- 5.5.3 If an Offeree declines the offer, or fails to respond to the offer prior to the deadline indicated in Article 5.5.1(c), or accepts the offer but fails to pay the purchase price within the times indicated by Article 5.5.2, the Offeror may then, subject to the provision of Article 5.5.4, within the next ninety (90) days offer to sell the Offered Shares to the Proposed Purchaser at a price and upon the terms and conditions specified in the Transfer Notice, as long as the Proposed Purchaser accepts the offer and concludes the purchase within the time frames permitted to the Offeree in Articles 5.5.1 (c), 5.5.2 .
- 5.5.4 **Disqualification of Proposed Purchaser**
- A proposed purchaser shall be disqualified from acquiring the shares in the Company, if:
- (a) In regard to matters other than the security and integrity of the country, any conviction by a Court of Law or indictment / adverse order by a regulatory authority against the Proposed Purchaser or its against any sister concern which relates to a grave offence, or would constitute disqualification. Grave offence is

defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of the offence would be taken on case to case basis after considering the facts of the case and relevant legal principles, by the Board.

- (b) In regard to matters relating to the security and integrity of the country, any charge-sheet by an agency of the Government / conviction by a Court of Law for an offence committed by the Proposed Purchaser or by any sister concern of the Proposed Purchaser would result in disqualification. The decision in regard to the relationship between the sister concerns would be taken by the Board, based on the relevant facts and after examining whether the two concerns are substantially controlled by the same person/persons.

6. BOARD OF DIRECTORS

6.1 Constitution, Appointment and Nomination

- (a) Unless otherwise agreed between the parties to this Agreement there shall be a maximum of 12 directors on the Board.
- (b) To start with, however, the composition of the Board shall comprise six representative directors - three nominated by RVNL, two by entities of Government of Gujarat and one by APDPPL and the Chairman to be appointed by Ministry of Railways. One Managing Director will be appointed by the Board.
- (c) The composition of the Board will be reviewed after full subscription to the shareholding is paid by all the Parties. The right to nominate a Representative Directors by a Party will continue only if the percentage of equity shareholding as indicated in clause 3.3 is maintained by such party in the Company. The Company will nominate a Coordinating Director, from the Representative Directors till such time Managing Director is appointed by the Board.

- 6.2 The Parties entitled to nominate a Representative Director, shall each be entitled to nominate alternate Directors for each of the Representative Directors that it is entitled to nominate. Such appointment as alternate Director shall be undertaken at the first possible opportunity following receipt by the Company of such nomination, whether in a meeting of the Board or by a resolution to be passed by circulation.

6.3 Appointment/Removal of Directors

The Party who has the right to nominate and appoint a Representative Director in accordance with Article 6.1 shall also have the right to require the removal and replacement of such director. Directors other than those nominated by the Parties

under Article 6.1 above shall be appointed and removed in accordance with the provisions of the Act.

6.4 Term of the Directors

Subject to the provisions of the Act, each Director shall be eligible to serve consecutive terms if re-appointed. Any vacancy created by the retirement or removal of any director, being a Representative Director of any Party, shall be filled by a nominee of such Party. Each of the Parties shall exercise their voting rights and cause their Representative Directors on the Board to exercise their voting rights to carry out and give effect to the intent of Articles 6.1, 6.2, 6.3.

6.5 Chairman

The Company shall have a non-executive Chairman, who shall at all times be a nominee of MoR. ~~The Chairman shall be nominated by MoR from amongst the Representative Directors of RVNL.~~ The term of Chairman shall be co-terminus with that of his term as the director the Company.
Deleted vide decision taken at the 18th Meeting of the Board of Directors held on 5th May, 2011.

6.6 Managing Director (MD)/Chief Executive Officer (CEO)

The Company shall have a **Managing Director (MD)/Chief Executive Officer (CEO)** appointed by the Board through a selection process from among the eligible candidates of the appropriate background and experience. Subject to the provisions of the Act, the terms and conditions of the appointment of the MD/CEO shall be as stipulated by the Board and he shall report to the Board. Managing Director will be a whole-time Director on the Board.

6.7 Meetings of the Board & Quorum

- a. The Board shall meet at least once in every three months, at such times and circumstances as may be required and in accordance with the provisions of the Act, for the purpose of taking decisions on all matters of policy and for determination of issues regarding the business of the Company.
- b. The quorum for a meeting of the Board shall be reckoned in accordance with the Act, provided that quorum shall be complete only when at least one of the Representative Director nominated by RVNL (which expression shall, where applicable, include their alternates), is present in the meeting.
- c. In case the quorum for meeting is not present, the meeting shall be adjourned to the same day in the following week or if such a day is a holiday the next Business Day thereafter. At any meetings of the Board, each director shall have one vote.

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6.8 Resolution at Board Level

- a. Subject to clause (b) all resolutions of the Board of Directors shall be adopted by simple majority. In case of equality of votes, the Chairman shall have a second or casting vote.
- b. In relation to Fundamental Issues listed in Article 7 herein after, all resolutions of the Board of Directors shall be adopted by Super Majority Resolution.

6.9 Committees of the Board

- a. If the Board finds it necessary to constitute a committee for any specific objective or objectives, the Board shall determine the powers of such committee or committees.
- b. Unless otherwise agreed to by each party to this Agreement, the quorum of the meeting of any such committees shall be decided by the Board at the time of its constitution.

6.10 Notices of Board Meetings

- a. The Company shall furnish to each director not less than 7 days' notice, of the calling of any meeting of the Company's directors or of any meetings of any committee established by the Board, which notice shall indicate the agenda and shall promptly thereafter furnish to such directors copies of all proposals, resolutions, communications and reports prepared by the Company for its directors in connection with such meetings and copies of the minutes of all such meetings.
- b. In case of urgency an emergency meeting of the Company's directors may be called by giving the Directors not less than three days notice in writing.

7. Super Majority Resolution at General Meetings

Notwithstanding any other provision of this Agreement (except Article 10.3 below), and subject to such additional approvals as may be required by applicable law, any action with respect to the issues set out below (hereinafter called "Fundamental Issues") shall require a Super Majority Resolution at a general meeting of Shareholders in favour of such a resolution:

- (i) Merger with or acquisition of any company by the Company;
- (ii) Any change in accounting policies of the Company;

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- (iii) Any change in the capital structure of the Company including any fresh issue of capital (other than already envisaged herein);
- (iv) Finalization of the terms of any debt, including subordinated debt raised by the Company;
- (v) Amendment of the Memorandum of Association and Articles of Association of the Company;
- (vi) Any proposal for the renewal or appointment of statutory auditors or internal auditors of the Company, including the replacement of such auditors;
- (vii) Registration of any transfer of Shares in contravention of the Shareholders' Agreement;
- (viii) Establishment of the subsidiaries and/or entering into of any partnerships or joint ventures;
- (ix) Reduction in the Share Capital of the Company;
- (x) Diversification or proposed entry into new business or activity which falls outside the scope of its current areas of operation;
- (xi) Any resolution to dissolve, liquidate or re-organise the Company;
- (xii) Recommending or approving change of name of the Company;
- (xiii) Disposition, by sale or otherwise, of the assets having a net book value in excess of Rs. 25 lakhs (Rupees twenty five lakhs) and any movable asset whose expected life is more than 25 years from date of Concessioning;
- (xiv) Creating any encumbrance over the assets of the Company;
- (xv) Any decision to consolidate with, or merge into any other corporation or acquire any business or the creation of a subsidiary, whether by formation, acquisition or otherwise
- (xvi) Any increase or decrease in the size of the Board of Directors, beyond that envisaged in this Agreement;
- (xvii) Declaration of any dividend or the distribution of profits in any other form to the shareholders of the Company.

(xviii) Making an application for listing or quotation of shares or securities in the company on any stock exchange and terms thereof;

8. Representations, Warranties and Undertakings

Each of the Parties hereby severally represents and warrants to the Company and the other Parties that it has the necessary or requisite corporate power and authority to enter into this Agreement and that this Agreement constitutes a valid, legal and binding obligation enforceable.

9. Parties' Obligations and Cooperation

9.1 RVNL and GMB hereby irrevocably undertake to assist the Company in obtaining all necessary approvals and permits required for the Project.

9.2 This Agreement shall not restrict or otherwise affect in any way the ability of the Parties to engage or participate in any investment or other opportunities including project and financial advisory services, in any other rail project.

9.3 Without prejudice to any other provision of this Agreement, the Parties and the Company agree to share with each other such information which shall not be subject to any confidentiality agreement and which shall not affect in any way the interests of the respective Parties, for the purpose of furthering the business of the Company in general, and in particular the accomplishment of its objectives.

9.4 The Memorandum and Articles of the Company shall be as mutually agreed to by the Parties and subject to the provisions of the Act and to the extent legally permissible shall, in substantial and material terms, reflect the provisions and spirit of this Agreement. The Parties hereby agree that they shall take all steps necessary, to incorporate the provisions of this Agreement into the Articles of the Company.

9.5 To the extent that any of the provisions of this Agreement conflict with any of the provisions of the Articles of the Company, the provisions of this Agreement shall prevail as between the Parties hereto, subject to applicable law.

10. Defaults in Funding

10.1 If any Party (a "Defaulting Shareholder") fails to make all or part of any Advance by the Cash Call Payment Date (the deficit referred to as the "Default Amount"), the Company shall, on the next Business Day, give written notice (the "Default Amount Notice") to the Defaulting Shareholder of such default.

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S. K. Saha
A. K. Saha
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- 10.2 If the Default Amount has not been paid within seven days of the Cash Call Payment Date, the Company shall give a final notice to the Defaulting Shareholder (a "Funding Default Notice"), incorporating all of the following points and informing the Defaulting Shareholder:
- ii) that it has committed a material default under the Shareholders Agreement.
 - iii) the rights of the Directors nominated by that defaulting shareholder to exercise any vote at a meeting of the Board, an AGM or EGM have been suspended.
 - iv) that rights of the Directors nominated by that defaulting shareholder to be counted as an essential Party to any quorum requirement for a meeting of the Board, an EGM or AGM have been suspended.
 - v) specifying a date (the "Final Payment Date"), which shall be Forty Calendar Days from the date of the Funding Default Notice, by which it can remedy the default by making payment of the Default Amount along with interest. The interest shall be calculated at a rate of Government of India's 1 (one) year Paper plus 400 basis point or at such other rate as may be decided by the Board.
 - vi) If it fails to make payment of the Default Amount along with the interest by the Final Payment Date, the other Shareholder(s) shall be at liberty to proceed with the Project at the risk and cost of the Defaulting Shareholder and the rights suspended under paragraphs (ii) and (iii) of this sub-Article 10.2 shall be terminated.
- 10.3 Notwithstanding anything contained in this Agreement, during the continuation of any default, the Defaulting shareholder and its nominees on the Board of the Company agree to refrain from exercising any of the rights including voting rights under this Agreement or otherwise, in such an event, any quorum requirement shall be deemed to exclude that Defaulting Shareholder, in the case of general meetings, or, in the case of Board meetings, the Directors nominated by that Defaulting Shareholder.
- 10.4 If the Defaulting Shareholder does not cure the default on or before the Final Payment Date, the Company and other Shareholder(s) shall be at liberty to proceed with the Project at the risk and cost of the Defaulting Shareholder, including arranging for additional funding. The incremental costs and risks, which the other shareholder(s) or the Company have to incur in this process, shall be recovered from the Defaulting Shareholder. For this purpose the limitation on liability of each of the Parties shall be equal to the equity that the Party is required to contribute in the Company.

10.5 Each of the Shareholders undertakes that it shall exercise all rights and powers available to it to procure that full effect is given to the provisions of this Article 10, including, without limitation, granting its consent as a Shareholder to the transfer of any Shares comprised in the Defaulting Shareholder's Equity to other shareholders or any other Investors, and procuring that its Representative Directors propose and approve any resolutions for such transfer. The parties shall ensure that any new Investor shall agree in writing to be bound by the provisions of this Agreement by execution of a Deed of Adherence in the form and manner specified at Annexure - "B" hereto

11. Confidentiality, Non-Disclosure & Secrecy

11.1 Information Confidentiality: All Parties acknowledge that any and all commercial and technical information and data provided by one constituent to the other or to the Company shall be considered to be confidential and the constituent receiving such information and data shall not, at any time, directly or indirectly disclose such information and data to any person or firm or use the same in any manner other than in connection with the pursuit of this Agreement, without the prior consent of the relevant other constituent. The constituents shall cause the Company to be bound by this obligation of secrecy and non-disclosure in respect of information and data provided to it by any of the constituents.

Exceptions: The obligation towards confidentiality shall, however, exclude: (i) such information and data which are already in the public domain or which needs to be disclosed by law, or as required by a court of law; (ii) any disclosure by a Party in connection with any proposed transfer of its Shares to a Investor (subject to obtaining an appropriate confidentiality undertaking of such Investor); (iii) any disclosure required to be made by the Parties to the GOI and or GoG or to any other Governmental Authority for the purpose of obtaining consents, permits and approvals; and (iv) any disclosure to potential financiers or arrangers or investment banks for purpose of financing of the Project.

11.2 Duration: The obligations in this Article 11 shall survive termination of this Agreement for 5 (five) years.

11.3 Binding Nature: Each Party hereto undertakes that it and its nominees and employees shall not, without limit in point of time, whether during the term hereof or after the termination of this Agreement, divulge or communicate to any third party (except as may be necessary for such Party to exercise its rights and perform its obligations hereunder or as may be required by law) or use for its own purpose any information about the affairs of the Company or another Party or its nominees

11.4 Public Announcement: No public announcement or disclosure shall be made in respect of the subject matter of this Agreement or any of the transactions

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contemplated herein without the prior written approval of the other Parties (save as may be required by law or any regulatory authority in which even the scope of the announcement will be limited to the matters required to be disclosed and the disclosing Party will, if practicable, consult with the other Parties on the terms and timing of such announcement).

12. Term and Termination

This Agreement shall become effective on the date hereof and shall continue to remain in force until terminated in accordance with the provisions of Article 12.1.

12.1 This Agreement may be terminated:

- a) by mutual agreement of Parties in writing
- b) upon the listing of the Shares on one or more recognized stock exchanges as a consequence of an IPO, as and when made.
- c) upon occurrence of any other event which, under law, has the effect of terminating this Agreement
- d) On winding up of the Company.

12.2 Termination of this Agreement for any reason whatsoever shall not release the Parties from any liability which at the time of Termination has already accrued or which thereafter may accrue in respect of any act or omission occurring prior to such termination, nor shall any such termination affect in any way the survival of any right or duty which is expressly stated elsewhere in this Agreement to so survive.

13. Accounts, Records and Reports

13.1 Audited Accounts

The Company shall furnish to the Shareholders as soon as they are available, but in any event not later than 120 days after the end of each Financial year to which they are related (i) certified copies of its financial statements prepared in accordance with Indian GAAP and where applicable, internationally accepted accounting principles; consistently applied, (ii) the opinion of the Company's auditors concerning the Company's financial statements, in English language.

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13.2 Records

The Shareholders shall each be provided with reasonable access during business hours to all accounting records kept by the Company.

13.3 Information to Shareholders

The Company shall furnish or cause to be furnished promptly to a Shareholder all such reports and information as it shall reasonably request concerning (i) the financial statements and audit referred to in Article 13; (ii) audited financial statements and auditors report of each of the Funds under management of the company; and (iii) any other matters relating to their respective investments in the Company.

14. Dispute Resolution

In the event of any dispute, controversy or difference ("Dispute") of whatever nature, arising under, out of, in connection with or relating to the enforcement, performance or the terms and conditions of this Agreement or any provision thereof, such Dispute shall be amicably settled through good faith negotiation amongst the parties to such Dispute. In the event that such Dispute cannot be resolved by negotiation within thirty (30) days of the Dispute having arisen such dispute shall be referred for arbitration to an Arbitral Tribunal consisting of three (3) arbitrators in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place of arbitration and the seat of arbitral proceedings shall be Delhi or such other place as maybe decided upon by the Arbitral Tribunal. Any arbitral proceeding pursuant to any reference made under this Agreement shall be conducted in English language. The decision of the arbitral tribunal and any award given by the arbitral tribunal shall be final and binding upon the parties to the Dispute. Notwithstanding the existence of any Dispute, referred to arbitration or not, the Parties hereto shall continue to perform their respective obligations under this Agreement.

15. Governing Law and Jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the Laws of India. The Parties agree to submit to the exclusive jurisdiction of the courts at New Delhi.

16. Intent and Effect

Each of the Parties hereto undertakes to fully and promptly observe and comply with the provisions of this Agreement and the Company's Articles of Association to the intent and effect that each and every provision shall be enforceable by the

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Parties hereto inter se and in whatever capacity. If, during the continuance of this Agreement, there shall be any conflict between the terms of this Agreement and the provisions of the Articles of Association of the Company the Parties shall cause the Company to, and the Company shall, subject to applicable laws, amend the Articles of Association of the Company, to incorporate the relevant provisions of this Agreement and to give effect to the matters contemplated by this Agreement.

17. Exercise of Voting Rights

Each of the Parties hereto hereby agree to exercise their voting rights in favour of each other to procure the fulfillment of the terms of this Agreement.

18. Non-Waiver

No omission or delay on the part of any Party in requiring a due and punctual fulfillment by any other Party of its obligations hereunder shall constitute, or be deemed to constitute, a waiver of any of such Party's rights to require such due and punctual fulfillment and in any event shall not constitute or be construed as a continuing waiver and/or as a waiver of other or subsequent breaches of the same or other (similar or otherwise) obligations of such other Party hereunder or as a waiver of any remedy.

19. Binding Effect

Subject to the terms and conditions hereof, this Agreement is binding upon and shall ensure to the benefit of the Parties and their respective successors and permitted assigns.

20. No Assignment

Neither this Agreement (in part or in whole) nor any right or obligation hereunder or part hereof may be assigned by any Party hereto without the prior written consent of the other Parties hereto (any attempt to do so shall be void), except as otherwise specifically provided herein.

21. Invalid Provisions

If any provision of this Agreement is held to be illegal, invalid, or unenforceable under any present or future Law, and if the rights or obligations under this Agreement of the Company or any or all of the Shareholders shall not be

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materially and adversely affected thereby, (a) such provision shall be fully severable; (b) this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance here from;

22. Additional Document

Each Party hereto shall promptly execute and deliver such additional documents and Agreements as are envisaged in this Agreement and any other Agreement or document as may be reasonably required for the purpose of implementing this Agreement, provided that no such document or Agreement shall be inconsistent with the spirit and intent of this Agreement.

23. Amendment

This Agreement may be modified or amended only by writing, duly executed by or on behalf of the Parties.

24. Counterparts

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

25. Notices

All notices, requests, demand and other communications made or given under the terms of this Agreement or in connection herewith shall be in writing and shall be either personally delivered, transmitted by postage prepaid registered mail (air mail if international), or by telex or cable (confirmed and writing by postage prepaid registered mail – air mail if international), and shall be addressed to the appropriate party at the following address or to such other address or place as such party may from time to time designate:

To RVNL at:
Managing Director,
Rail Vikas Nigam Limited,
August Kranti Bhawan (First Floor),
Bhikaji Cama Place,
New Delhi-110 066

1/10/2007

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To GMB at:

Vice Chairman & Chief Executive Officer,
Gujarat Maritime Board,
Sector 10-A, Opposite Air Force Station,
Gandhinagar-382 010,
Gujarat, India

To APDPPL at:

Managing Director,
Adani Petronet (Dahej) Port Private Limited,
Adani House, Shrimali Society,
Mithakhali, 6 Roads, Navrangpura,
Ahmedabad - 380009, Gujarat.

To GNFC at:

Managing Director,
Gujarat Narmada Valley Fertilizers Company Limited,
P.O. Narmadanagar - 392015,
District Bharuch,
Gujarat, India

To DSL at:

Managing Director,
Dahej SEZ Limited,
c/o GIDC, Udyog Bhawan,
Gandhinagar,
Gujarat, India

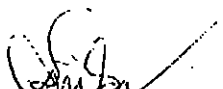


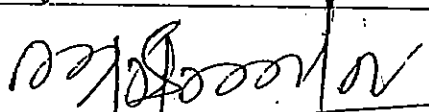
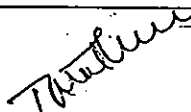
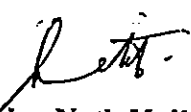

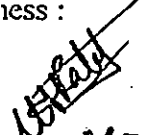
To BDRCL at:

Managing Director,
Bharuch Dahej Railway Company Limited,
August Kranti Bhawan (First Floor),
Bhikaji Cama Place,
New Delhi-110 066

Unless another address has been specified by a party hereto by written notice thereof to the other party, any notice, request, demand or other communication given or made pursuant to this Agreement shall be deemed to have been received (i) in the case of personal delivery, on the date of delivery, (ii) in the case of mail delivery, on the date which is fifteen (15) days after the mailing thereof and (iii) in the case of a telex or cable, the date of dispatch thereof.

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[Signature]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

 Dulal Chandra Mitra For & on behalf of Rail Vikas Nigam Limited	 A.K. Joti For & on behalf of Gujarat Maritime Board
 P. K. Pujari For & on behalf of Dahej SEZ Limited	 M. P. Shukla For & on behalf of Adani Petronet (Dahej) Port Private Limited
 T. Natarajan For & on behalf of Gujarat Narmada Valley Fertilizers Company Limited	 Rabiindra Nath Kalita For & on behalf of Bharuch Dahej Railway Company Limited
Witness : 1.  (PARTH TRIDIP) GIDB	Witness : 2.  MEHALI PATEL, GIDB.



Annexure-"A"

DEED OF ADHERENCE IN CASE OF AFFILIATES AND
NOMINEES

THIS DEED OF ADHERENCE ("Deed") is executed this [insert date] day of [insert month] 2004 by [insert name], [a company incorporated under the laws of [insert country] with its registered office] / [a trust / firm organised under the laws of [insert country] with its principal office] / [residing] at [insert address] ("Adopting Party")

WHEREAS:

- A. By a Shareholders' & Subscription Agreement dated [insert date] the ("Agreement") (a) (i) Rail Vikas Nigam Limited (RVNL), ((iii) Gujarat Maritime Board (GMB), (iv) Adani Petronet (Dahej) Port Private Limited (APDPPL) (v) Gujarat Narmada Valley Fertilizers Company Limited (GNFC), (vi) Dahaj SEZ Limited (DSL), have invested in BHARUCH-DAHEJ RAILWAY COMPANY LIMITED ("Company") by subscribing to Shares of the Company; and (b) RVNL, GMB, APPDPL, GNFC and DSL have agreed that their respective rights and obligations in relation to the subject matter of the Agreement, will be interpreted, acted upon and governed solely in accordance with the terms and conditions of the Agreement as well as the Memorandum of Association and Articles of Association.
- B. Under the Agreement each of the Parties having the right to transfer, at any time, any of the Shares of the Company held by such Party or the right to subscribe to such shares to one or more of its respective Affiliates or Nominee shall exercise the right, provided that such transferee Affiliate or Nominee agrees to be bound by the terms and conditions of the Agreement.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- (a) Capitalised terms used but not defined in this Deed shall, unless the context otherwise requires, have the respective meanings ascribed thereto in the Agreement.
- (b) Words elsewhere defined in this Deed shall have the meaning so ascribed.
- (c) The clause headings do not form part of this Deed, are for convenience only, and shall not be taken into account in the construction or interpretation of this Deed.

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2. ADHERENCE

The Adopting Party declares and confirms that:

- (a) it is an Affiliate of the Party who proposes to transfer Shares ("Transferor Party") to the Adopting Party;
- (b) it is aware of the terms and conditions of the Agreement;
- (c) the terms and conditions of the Agreement shall mutatis mutandis apply to this Deed;
- (d) it will abide by the terms and conditions of the Agreement;
- (e) this Deed shall be construed and shall have effect as if the Adopting Party was a Party to the Agreement; and
- (f) in the event that the Adopting Party ceases to be an Affiliate of the Transferor Party, the Adopting Party shall forthwith do all such acts, deeds and things as may be required to transfer the Shares that the Adopting Party has acquired from the Transferor Party to the Transferor Party or any of such Transferor Party's Affiliates.

3. REPRESENTATIONS AND WARRANTIES OF THE ADOPTING PARTY

The Adopting Party represents and warrants that:

- (a) it has full power and authority to enter into this Deed and perform its obligations hereunder;
- (b) the execution of this Deed and the performance of the provisions hereof has been duly authorised by all necessary corporate, regulatory and statutory action;
- (c) the execution of this Deed or the performance hereof will not violate its memorandum or articles of association or any of its constitutional documents or any deed or agreement to which it is a party or by which it is bound; and
- (d) there are no legal proceedings, suits, appeals or other actions in law by and against the Adopting Party whether judicial or administrative, pending or threatened which will prevent the performance by the Adopting Party of the obligations under this Deed.

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4. GOVERNING LAW

This Deed shall be governed by and construed in accordance with the laws of India. The terms and conditions of the Agreement in relation to the provisions regarding dispute resolution, governing law and jurisdiction and other terms and conditions shall be deemed to have been incorporated in this Deed as if the same had been reiterated and restated herein.

SIGNED AND DELIVERED by the)
within named Adopting Party)
[•])
[through its authorised signatory)]
[Mr./Ms.] [•])
in the presence of [Mr./Ms.] [•])

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ANNEXURE "B"

DEED OF ADHERENCE IN CASE OF INVESTORS

THIS DEED OF ADHERENCE ("Deed") is executed this [insert date] day of [insert month] 2004 by [insert name], [a company incorporated under the laws of [insert country] with its registered office] / [a trust / firm organised under the laws of [insert country] with its principal office] / [residing] at [insert address] ("Adopting Party")

WHEREAS:

- A. By a Shareholders' & Subscription Agreement dated [insert date] the ("Agreement") (a) (i) Rail Vikas Nigam Limited ("RVNL"); (ii) Gujarat Maritime Board (GMB), (iv) Adani Petronet (Dahej) Port Private Limited (APDPPL) (v) Gujarat Narmada Valley Fertilizers Company Limited (GNFC), (vi) Dahaj SEZ Limited (DSL), have invested in Bharuch-Dahej Railway Company Limited ("Company") by subscribing to Shares of the Company; and (b) RVNL, GMB, APDPPL, GNFC and DSL have agreed that their respective rights and obligations in relation to the subject matter of the Agreement, will be interpreted, acted upon and governed solely in accordance with the terms and conditions of the Agreement as well as the Memorandum of Association and Articles of Association.
- B. Under the Agreement the Parties may, in certain circumstances agree to invite an Investor to own and hold shares in the Company subject to the terms of the Agreement, provided that such transferee Affiliate agrees to be bound by the terms and conditions of the Agreement.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- (d) Capitalised terms used but not defined in this Deed shall, unless the context otherwise requires, have the respective meanings ascribed thereto in the Agreement.
- (e) Words elsewhere defined in this Deed shall have the meaning so ascribed.
- (f) The clause headings do not form part of this Deed, are for convenience only, and shall not be taken into account in the construction or interpretation of this Deed.

2. ADHERENCE

The Adopting Party declares and confirms that:

- (a) it is aware of the terms and conditions of the Agreement;
- (b) the terms and conditions of the Agreement shall mutatis mutandis apply to this Deed;
- (c) it will abide by the terms and conditions of the Agreement;
- (d) this Deed shall be construed and shall have effect as if the Adopting Party was a Party to the Agreement, subject to Clause (e) below; and
- (e) The Adopting Party/ Investor shall not have any right to nominate a Representative Director in the Board to the Company as provided in Article 6.3 of the Agreement.

3. REPRESENTATIONS AND WARRANTIES OF THE ADOPTING PARTY

The Adopting Party represents and warrants that:

- (a) it has full power and authority to enter into this Deed and perform its obligations hereunder;
- (b) the execution of this Deed and the performance of the provisions hereof has been duly authorised by all necessary corporate, regulatory and statutory action;
- (c) the execution of this Deed or the performance hereof will not violate its memorandum or articles of association or any of its constitutional documents or any deed or agreement to which it is a party or by which it is bound; and
- (d) there are no legal proceedings, suits, appeals or other actions in law by and against the Adopting Party whether judicial or administrative, pending or threatened which will prevent the performance by the Adopting Party of the obligations under this Deed.

4. GOVERNING LAW

This Deed shall be governed by and construed in accordance with the laws of India. The terms and conditions of the Agreement in relation to the provisions regarding arbitration, governing law and jurisdiction and other terms and

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K. S. Srinivasan

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conditions shall be deemed to have been incorporated in this Deed as if the same had been reiterated and restated herein.

SIGNED AND DELIVERED by the)
within named Adopting Party)
[•])
[through its authorised signatory)]
[Mr./Ms.] [•])
in the presence of [Mr./Ms.] [•])

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M. P.
L. T.
M. S. R.