

SHAREHOLDERS' AGREEMENT

BY AND BETWEEN:

WRITEFINE PRODUCTS PRIVATE LIMITED
(As "Writefine")

AND

RAJENDRA GALA
(As "RG")

AND

KANTI GALA
(As "KG")

AND

POOJA GALA
(As "PG")

AND

BHAVNA GALA
(As "BG")

AND

PIONEER STATIONERY PRIVATE LIMITED
(As "Company")

Dated: August 01, 2015



Shardul Amarchand Mangaldas

TABLE OF CONTENTS

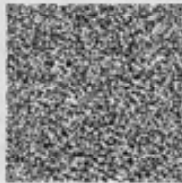
1. DEFINITIONS AND INTERPRETATIONS	4
2. CORPORATE STRUCTURE.....	12
3. OBJECT AND PURPOSE OF THE COMPANY	13
4. FUNDING POLICY	14
5. COMPOSITION AND POWERS OF THE BOARD	14
6. QUORUM	16
7. VOTING.....	17
8. MANAGEMENT OF THE COMPANY	17
9. RESERVED MATTERS	17
10. COMPANY'S UNDERTAKING	19
11. TRANSFER OF SHARES.....	19
12. DEADLOCK EVENT	29
13. ALTERATION OF MEMORANDUM AND ARTICLES	30
14. REPRESENTATIONS AND WARRANTIES	30
15. SHAREHOLDERS' UNDERTAKING.....	31
16. INDEMNITY	32
17. CONFIDENTIALITY	32
18. NON-COMPETE	33
19. TERMINATION	34
20. GOVERNING LAW AND JURISDICTION.....	34
21. DISPUTE RESOLUTION	35
22. MISCELLANEOUS.....	35
SCHEDULE A.....	41
SCHEDULE B.....	41



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INDIA NON JUDICIAL
Government of Gujarat
Certificate of Stamp Duty

Certificate No. : IN-GJ96166086533773N
Certificate Issued Date : 20-Jul-2015 12:18 PM
Account Reference : NONACC (FI)/ gjevpl10/ UMARGAM/ GJ-VL
Unique Doc. Reference : SUBIN-GJGJEVLPL1055430081796765N
Purchased by : WRITEFINE PRODUCTS PVT LTD
Description of Document : Article 5(h) Agreement (not otherwise provided for)
Description : SHAREHOLDERS AGREEMENT
Consideration Price (Rs.) : 0
(Zero)
First Party : WRITEFINE PRODUCTS PVT LTD
Second Party : PIONEER STATIONERY PVT LTD
Stamp Duty Paid By : WRITEFINE PRODUCTS PVT LTD
Stamp Duty Amount(Rs.) : 200
(Two Hundred only)



WN 0000184264

Statutory Alert

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SHAREHOLDERS' AGREEMENT

This SHAREHOLDERS' AGREEMENT ("Agreement") is entered into on August 01, 2015, ("Effective Date") at Umbergaon, Gujarat by and between:

WRITEFINE PRODUCTS PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 with CIN U36991GJ2006PTC049275 and having its registered office at J-19, G.I.D.C., opposite telephone exchange, Umbergaon, Gujarat (hereinafter referred to as "Writefine", which expression shall, unless repugnant to the context and meaning thereof mean to include its successors in business and permitted assigns) through its authorized signatory Mr. Santosh Rasiklal Raveshia, of the **FIRST PART**;

RAJENDRA BHAVANJI GALA, a citizen of India having passport number J4989846, aged 55 years and presently residing at B-205, Shatrunjay Darshan, Motisha Cross Lane, Love Lane, Byculla, Mumbai - 400 027 (hereinafter referred to as "RG" which expression shall, unless repugnant to the context and meaning thereof mean and include his legal heirs, successors, executors and permitted assigns), of the **SECOND PART**;

KANTI BHAVANJI GALA, a citizen of India having passport number Z2333229, aged 59 years and presently residing at B-205, Shatrunjay Darshan, Motisha Cross Lane, Love Lane, Byculla, Mumbai - 400 027 (hereinafter referred to as "KG" which expression shall, unless repugnant to the context and meaning thereof mean and include his legal heirs, successors, executors and permitted assigns), of the **THIRD PART**;

BHAVNA RAJENDRA GALA, a citizen of India having passport number J4989832, aged 56 years and presently residing at B-205, Shatrunjay Darshan, Motisha Cross Lane, Love Lane, Byculla, Mumbai - 400 027 (hereinafter referred to as "BG" which expression shall, unless repugnant to the context and meaning thereof mean and include his legal heirs, successors, executors and permitted assigns), of the **FOURTH PART**;

POOJA RAJENDRA GALA, a citizen of India having passport number K6746641, aged 29 years and presently residing at B-205 Shatrunjay Darshan Motisha Cross Lane, Love Lane, Byculla, Mumbai - 400 027 (hereinafter referred to as "PG" which expression shall, unless repugnant to the context and meaning thereof mean and include his legal heirs, successors, executors and permitted assigns), of the **FIFTH PART**; and

PIONEER STATIONERY PRIVATE LIMITED, a company incorporated under the Companies Act, 1956 with CIN U22200MH2005PTC152204 and having its registered office at C - 311, Groma House, 3rd Floor, Sector 19, Vashi, Navi Mumbai, Maharashtra - 400 705 (hereinafter referred to as "Company", which expression shall, unless repugnant to the context and meaning thereof mean to include its successors in business and permitted assigns) through its authorized signatory Mr. Kanti Bhavanji Gala, of the **SIXTH PART**.

RG, KG, PG and BG shall collectively be referred to as the "Gala Group Shareholders" in this Agreement. Gala Group Shareholders and Writefine are collectively referred to as the "Shareholders Groups" and individually as a "Shareholders Group". Shareholders Groups and the Company are collectively referred to as "Parties" and, each, individually as "Party" to this Agreement.

WHEREAS:



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Page 3 of 43

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WHEREAS:

- A. The Company is engaged in the business of manufacturing, selling, marketing and distribution of paper stationery products, for domestic and export markets and was promoted by the Gala Group Shareholders. The Company is also an original equipment manufacturer of paper stationery products which are sold by well-established domestic and international brands. The Company sells its products under the brand name 'Pioneer'.
- B. Writefine is engaged in the business of manufacturing, marketing, distribution and selling of various stationery products, including but not limited to pencils, pens, crayons, erasers, sharpeners and sketch pens in India and abroad. It has widespread distribution channels in India and sells its products under the brand names 'DOMS' and 'C3'. It is desirous of expanding its business and has thus decided to invest in the Company.
- C. In light of the above, the Parties have entered into a share purchase agreement dated August 01 2015 pursuant to which the Gala Group Shareholders have agreed to sell (i) 24,500 Equity Shares of the Company previously held by them ("Sale Shares") to Writefine for an aggregate consideration of INR 2,16,21,250 (Indian National Rupees Two Crore Sixteen Lacs Twenty One Thousand Two Hundred and Fifty) ("Writefine Consideration") and (ii) Remaining Shares in a phased manner for consideration agreed thereunder ("SPA"). As a result, on the Completion Date (as defined below), out of the Equity Shares, 24,500 Equity Shares shall collectively be held by Writefine (comprising 49% of the total Share Capital), and 25,500 Equity Shares shall be held by the Gala Group Shareholders (comprising 51% of the total Share Capital).
- D. In order to set out and regulate the terms and conditions of the relationship *inter se* the Shareholders Groups with respect to their shareholding in the Company, and the terms of governance and management of the Company, the Parties have agreed to enter into this Agreement.

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NOW, THEREFORE, IN VIEW OF THE FOREGOING AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH HEREIN, THE SUFFICIENCY AND ADEQUACY WHEREOF ARE HEREBY MUTUALLY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATIONS

- 1.1. Unless contrary to the context or meaning thereof, all capitalized terms used in this Agreement shall have the same meaning as ascribed to them below.

S. No	Term	Definition
1.	Act	Shall mean the Companies Act, 1956 and/or the Companies Act, 2013, as the context may require.
2.	Affiliate	Shall mean (i) in case of a Party other than a natural person, any other person that, either directly or indirectly through one or more intermediate persons, controls, is



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		controlled by or is under common Control with such Party; and (ii) in case of a Party which is a natural person, his 'relatives' as defined in the Companies Act, 2013.
3.	Agreement	Shall mean this shareholders' agreement entered into between the Parties on the Effective Date.
4.	Alternate Director	Shall have the same meaning as ascribed to it in Clause 5.6 of this Agreement.
5.	Applicable Law	Shall mean any applicable statutes, laws, acts, regulations, ordinances, rules, judgments, orders, codes, decrees, bye-laws, rules of law, directives, guidelines, circulars, notifications, policy requirements, or any governmental restrictions or any similar form of decisions of or determination by or any interpretation or administration having the force of law, by any Government Authority having jurisdiction over the matter in question, whether in effect as of the Effective Date or thereafter.
6.	BG	Shall have the same meaning as ascribed to it in the name clause of this Agreement.
7.	Board	Shall mean the board of directors of the Company
8.	Business Day	Shall mean any day of the week (other than Sunday or a public holiday within the meaning of the Negotiable Instruments Act, 1881) on which banks are normally open for business in Gujarat and Maharashtra.
9.	Business Plan	Shall have the same meaning as ascribed to it in Clause 3.4 of this Agreement.
10.	Chairman Mediation	Shall have the same meaning as ascribed to it in Clause 12.2 of this Agreement.
11.	Company	Shall have the same meaning as ascribed to it in the name clause of this Agreement.
12.	Competing Business	Shall mean any business which operates in the same geographical territory as that of the Company and does a business similar to that of the Company.
13.	Completion Date	Shall have the same meaning as ascribed to it in the SPA
14.	Confidential Information	Shall have the same meaning as ascribed to it in Clause 17.1 of this Agreement.
15.	Control	Shall mean the power to direct and control the management or policies of a Person, including through the power to appoint over half of the members of the board of directors or similar governing body of such persons, through contractual arrangements or otherwise.
16.	Critical Matters	Shall have the same meaning as ascribed to it in Clause 12.1.a of this Agreement.
17.	Deadlock	Shall have the same meaning as ascribed to it in Clause 12.1 of this Agreement.



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18.	Deadlock Notice	Shall have the same meaning as ascribed to it in Clause 12.1.a of this Agreement.
19.	Deed of Adherence	Shall mean the deed of adherence per the form prescribed in Schedule A.
20.	Directors	Shall have the same meaning as ascribed to it in Clause 5.1. of this Agreement.
21.	Dispute	Shall have the same meaning as ascribed to it in Clause 21.1 of this Agreement.
22.	EBIDTA	<p>Shall, in respect of the Company, mean: (core business revenues of the Company, net of any sale's adjustment) – (total operating cost of the Company, net of other revenues not inherent to core business.)</p> <p>Provided that the following items are not included in the EBITDA definition:</p> <ul style="list-style-type: none"> a. depreciation and amortization; b. write downs of tangible and intangible assets; c. provision for doubtful accounts and cash/cash equivalent; d. financial income; e. financial expenses; f. financial assets write-ups; g. financial assets write downs; h. income/expenses of financial investments in share capital evaluated with equity method; i. income/expenses of financial investments in share capital evaluated with cost method; j. current taxes; k. deferred tax and deferred tax assets; <p>Provided further that the following shall not be included as 'operating cost':</p> <ul style="list-style-type: none"> a. costs related to start up of new activities or closing of activities, if not capitalized; b. restructuring cost, if not capitalized; c. consultancy costs related to listing process or extraordinary operations; d. costs related to accounting principle changes <p>Provided further that the following shall not be treated as 'income':</p> <ul style="list-style-type: none"> a. receivables from exercise of right of indemnity available to the Company; and



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		b. reimbursement for compensation of not recurrent costs, if these costs were normalized.
23.	Effective Date	Shall mean the date of execution of this Agreement, which shall be the date on which the terms and conditions set out in this Agreement shall come into effect.
24.	Encumbrances	Shall include any mortgage, charge, lien, pledge, hypothecation, title retention, security interest or any lien or transfer or disposal of any nature or description whatsoever.
25.	Equity Shares	Shall have the same meaning as ascribed to it in Clause 2.1.a.ii of this Agreement.
26.	Executive Directors	Shall have the same meaning as ascribed to it in Clause 8.1 of this Agreement.
27.	Formula Price	Shall mean the price per Equity Share calculated in accordance with the following formula: <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 5px auto;"> $8 * (\text{Sustainable EBIDTA for preceding 12 months} - \text{NFP})$ </div>
28.	Further Preferential Issue	Shall have the same meaning as ascribed to it in Clause 11.7.b of this Agreement.
29.	Gala Deadlock Call Option	Shall have the same meaning as ascribed to it in Clause 12.4.b of this Agreement.
30.	Gala First Put Option	Shall have the same meaning as ascribed to it in Clause 11.3.a.i of this Agreement.
31.	Gala First Put Option Notice	Shall have the same meaning as ascribed to it in Clause 11.3.a.iii of this Agreement.
32.	Gala First Put Price	Shall have the same meaning as ascribed to it in Clause 11.3.a.i of this Agreement.
33.	Gala First Put Shares	Shall have the same meaning as ascribed to it in Clause 11.3.a.i of this Agreement.
34.	Gala Group Shareholders	Shall mean RG, KG, PG and BG, collectively.
35.	Gala Second Put Option	Shall have the same meaning as ascribed to it in Clause 11.3.b.i of this Agreement.
36.	Gala Second Put Option Notice	Shall have the same meaning as ascribed to it in Clause 11.3.b.ii of this Agreement.
37.	Gala Second Put Price	Shall have the same meaning as ascribed to it in Clause 11.3.b.i of this Agreement.
38.	Gala Second Put Shares	Shall have the same meaning as ascribed to it in Clause 11.3.b.i of this Agreement.



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39.	Gala Tag Along Consideration	Shall have the same meaning as ascribed to it in Clause 11.6.b.i of this Agreement.
40.	Gala Tag Along Notice	Shall have the same meaning as ascribed to it in Clause 11.6.b.i of this Agreement.
41.	Gala Tag Transferee	Shall have the same meaning as ascribed to it in Clause 11.6.b.i of this Agreement.
42.	Gala Transfer Equity Shares	Shall have the same meaning as ascribed to it in Clause 11.6.b.i of this Agreement.
43.	Governmental Authority	Shall mean the any governmental department, commission, board, bureau, agency, statutory/ regulatory authority, instrumentality, court or other judicial or administrative body, central, state, provincial or local, in India, having jurisdiction over the subject matter or matters in question.
44.	Investment Opportunity	Shall have the same meaning as ascribed to it in Clause 15.1 of this Agreement.
45.	KG	Shall have the same meaning as ascribed to it in the name clause of this Agreement.
46.	Lock-In Period	Shall have the same meaning as ascribed to it in Clause 11.1.a of this Agreement.
47.	NFP	<p>Shall mean the net financial position of the Company, which shall be calculated as follows: (Short term financial loans from group companies + long term financial loans from group companies + short term financial & bank loans + long term financial & bank loans + other short & long term financial liabilities) - (cash and cash equivalents + short term loans to group companies + long term loans to group companies + short term financial assets + short term financial assets to group companies + long and short term financial receivables)</p> <p>Provided that guarantees issued in favour of third parties and receivables factorized (but not duly repaid) shall also be included as financial liabilities).</p>
48.	Offer Period	Shall have the same meaning as ascribed to it in Clause 11.5.d of this Agreement.
49.	Offer Price	Shall have the same meaning as ascribed to it in Clause 11.5.c of this Agreement.
50.	Offered Shares	Shall have the same meaning as ascribed to it in Clause 11.5.c of this Agreement.
51.	Ordinary Course of Business	Means the ordinary course of business consistent with past custom and practice of the Company, and generally the industry in which the Company operates, but only to the extent consistent with the Applicable Law, provided that a series of related transactions which taken together



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		is not in the ordinary course of business shall not be deemed to be in the Ordinary Course of Business.
52.	Party	Shall mean the Gala Group Shareholders, Writefine and the Company individually. "Parties" shall mean the Gala Group Shareholders, Writefine and the Company, collectively.
53.	Person	Shall mean any natural person, firm, company, Governmental Authority, joint venture, association, partnership, trusts, or any other entity, whether incorporated or not.
54.	PG	Shall have the same meaning as ascribed to it in the name clause of this Agreement.
55.	Potential Transferee	Shall have the same meaning as ascribed to it in Clause 11.5.b of this Agreement.
56.	Products	Shall have the same meaning as ascribed to it in Clause 3.2.b of this Agreement.
57.	Pro-Rata Top Up	Shall have the same meaning as ascribed to it in Clause 11.7.b of this Agreement.
58.	Recipient	Shall have the same meaning as ascribed to it in Clause 17.2 of this Agreement.
59.	Relevant Securities	Shall have the same meaning as ascribed to it in Clause 11.7.b of this Agreement.
60.	RG	Shall have the same meaning as ascribed to it in the name clause of this Agreement.
61.	ROFR	Shall have the same meaning as ascribed to it in Clause 11.5.b of this Agreement.
62.	Sale Shares	Shall have the same meaning as ascribed to it in Recital C of this Agreement.
63.	Share Capital	Shall have the same meaning as ascribed to it in Clause 2.1.a.ii of this Agreement.
64.	Shareholders Groups	Shall mean the Gala Group Shareholders and Writefine collectively and "Shareholders Group" shall mean Gala Group Shareholders and Writefine individually.
65.	SPA	Shall have the same meaning as ascribed to it in Recital C of this Agreement.
66.	Sustainable EBIDTA	Shall mean the Company's earnings from continuing operations before any financial income and expenses, income taxes and assets depreciation and amortization on the Company's balance sheet, as recognized and computed in accordance with Indian Accounting Standards.
67.	Term	Shall mean the period commencing the Effective Date and ending the date of termination of this Agreement.
68.	Territory	Shall mean India.



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69.	Transaction Documents	Shall mean this Agreement along with the SPA and all other related instruments.
70.	Transfer	Shall mean sale, gift, transfer without consideration, transfer of any interest in trust, mortgage, alienate, hypothecate, pledge, Encumber, grant a security interest on, amalgamate, merge or suffer to exist.
71.	Transfer Equity Shares	Shall have the same meaning as ascribed to it in Clause 11.6.a of this Agreement.
72.	Transfer Notice	Shall have the same meaning as ascribed to it in Clause 11.5.c of this Agreement.
73.	Unresolved Deadlock	Shall have the same meaning as ascribed to it in Clause 12.3 of this Agreement.
74.	Unresolved Deadlock Notice	Shall have the same meaning as ascribed to it in Clause 12.3 of this Agreement.
75.	Writefine	Shall have the same meaning as ascribed to it in the name clause of this Agreement.
76.	Writefine Consideration	Shall have the same meaning as ascribed to it in Recital C of this Agreement.
77.	Writefine Deadlock Call Option	Shall have the same meaning as ascribed to it in Clause 12.4.a of this Agreement.
78.	Writefine First Call Option	Shall have the same meaning as ascribed to it in Clause 11.2.a.i of this Agreement.
79.	Writefine First Call Option Date	Shall have the same meaning as ascribed to it in Clause 11.2.a.i of this Agreement.
80.	Writefine First Call Option Notice	Shall have the same meaning as ascribed to it in Clause 11.2.a.ii of this Agreement.
81.	Writefine First Call Price	Shall have the same meaning as ascribed to it in Clause 11.2.a.i of this Agreement.
82.	Writefine First Call Shares	Shall have the same meaning as ascribed to it in Clause 11.2.a.i of this Agreement.
83.	Writefine Second Call Option	Shall have the same meaning as ascribed to it in Clause 11.2.b.i of this Agreement.
84.	Writefine Second Call Option Notice	Shall have the same meaning as ascribed to it in Clause 11.2.b.iii of this Agreement.
85.	Writefine Second Call Price	Shall have the same meaning as ascribed to it in Clause 11.2.b.i of this Agreement.
86.	Writefine Second Call Price Adjustments	Shall mean any adjustments made to the Second Call Price, by Writefine in its sole and absolute discretion, on account of: a. Sums receivable by the Company in respect of 'Duty Free Import Authorization', up to a maximum of INR 1,71,849/- (Indian National Rupees One Lakh Seventy One Thousand Eight Hundred and Forty Nine); and / or



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		b. Sums receivable by the Company in respect of outstanding 'tax deducted from source' up to a maximum of INR 7,40,281/- (Indian National Rupees Seven Lacs Forty Thousand Two Hundred and Eighty One).
87.	Writefine Second Call Shares	Shall have the same meaning as ascribed to it in Clause 11.2.b.i of this Agreement.
88.	Writefine Tag Acceptance Notice	Shall have the same meaning as ascribed to it in Clause 11.6.a.iii of this Agreement.
89.	Writefine Tag Along Consideration	Shall have the same meaning as ascribed to it in Clause 11.6.a.i of this Agreement.
90.	Writefine Tag Along Notice	Shall have the same meaning as ascribed to it in Clause 11.6.a.i of this Agreement.
91.	Writefine Tag Along Right	Shall have the same meaning as ascribed to it in Clause 11.6.a.ii of this Agreement.
92.	Writefine Tag Along Shares	Shall have the same meaning as ascribed to it in Clause 11.6.a.iii of this Agreement.
93.	Writefine Tag Transferee	Shall have the same meaning as ascribed to it in Clause 11.6.a.i of this Agreement.
94.	Writefine's Damages	Shall have the same meaning as ascribed to it in Clause 16.1 of this Agreement.
95.	Writefine's Indemnified Persons	Shall have the same meaning as ascribed to it in Clause 16.1 of this Agreement.

- 1.2. The following principles of interpretation shall be used for interpreting this Agreement:
- The singular includes the plural and any reference to a particular gender shall include reference to all genders;
 - If a word or phrase is defined, its other grammatical forms shall have a corresponding meaning;
 - A reference to a Recital, Clause or Schedule is a reference to a Recital of, Clause of, or Schedule to this Agreement;
 - A reference to legislation or to a provision of legislation (other than specific references to amendment in legislation) includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it;
 - A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form (including electronic mails);
 - The headings in this Agreement are for convenience only and shall not affect its interpretation;



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- g. The term 'or' shall also include the term 'and' and vice versa and the terms 'herein', 'hereof', 'hereto' and 'hereunder' and other terms of similar import shall refer to this Agreement as a whole and not merely to the specific provision where such terms may appear; and the terms 'including' and 'include' shall be construed without limitation;
- h. Each of the representations and warranties provided in this Agreement is independent of the other representations and warranties in this Agreement and unless the contrary is expressly stated, no Clause in this Agreement limits the extent or application of another Clause;
- i. No disclosure, information, representation or warranty given by the Gala Group Shareholders in respect of anything which is a subject matter of this Agreement prior to the Effective Date shall limit the extent of representation or warranty given by the Gala Group Shareholders herein.
- j. Any references to knowledge, information, belief or awareness of the Gala Group Shareholders shall be deemed to include such knowledge, information, belief or awareness such Gala Group Shareholders would have if such Gala Group Shareholders had made due and careful enquiries;
- k. A reference to a Party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence);
- l. In determination of any period of days for the occurrence of an event or the performance of any act or thing, the same shall be deemed to be exclusive of the day on which the event happens or the act or thing is done and if the last day of the period is not a Business Day, then the period shall include the following Business Day;
- m. References to days, months and years are to calendar days, calendar months and calendar years, respectively, unless defined otherwise or inconsistent with the context or meaning thereof;
- n. The words 'directly or indirectly' mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and 'direct or indirect' shall have the correlative meanings;
- o. Any reference to any Party being obliged to 'procure' or 'cause' any action or omission shall be construed as a reference to that Party being obliged to exercise all rights and powers available to it so as to procure or cause the relevant action or omission;
- p. Capitalized terms not defined in this Agreement shall have the same meaning as ascribed to them in the other Transaction Documents; and
- q. No rule of construction or interpretation shall apply to the disadvantage or detriment of the Party having control or being responsible for the preparation of this Agreement.

2. CORPORATE STRUCTURE



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2.1. Capital Structure

- a. As of the Completion Date, the capital structure of the Company shall be as follows:
 - i. *Authorized Share Capital:* 50,000 equity shares of INR 10 (Indian National Rupees Ten) each aggregating to INR 5,00,000 (Indian National Rupees Five Lacs);
 - ii. *Issued and paid up share capital:* 50,000 equity shares of INR 10 (Indian National Rupees Ten) each ("Equity Shares") aggregating to INR 5,00,000 (Indian National Rupees Five Lacs) ("Share Capital");

2.2. Shareholding Pattern

- a. As of the Completion Date, the Share Capital shall be held as follows:

Shareholder	Shareholding (in number)	Shareholding percentage
Writefine	24,500	49%
Gala Group Shareholders	25,500	51%
Total	50,000	100%

3. **OBJECT AND PURPOSE OF THE COMPANY**

- 3.1. The Parties acknowledge that, at the Completion Date, Writefine shall hold 49% of the Share Capital of the Company. However, it is the intention of the Parties to enable Writefine, at its option to increase its shareholding in the Company in accordance with the terms of this Agreement and the other Transaction Documents.
- 3.2. The Company shall carry on its business with the following objective:
 - a. To combine, join and thus strengthen and develop the respective interests of Writefine and the Company in the field of paper stationery in India and internationally under the brands 'Pioneer' and 'DOMS' and private label 'original equipment manufacturing' manufacturing through the Company.
 - b. Manufacture, develop, distribute, sell, export and market, *inter alia*, all paper, stationery, books and registers ("Products") in order to expand and strengthen its presence in the Indian as well as overseas market under the brand names 'Pioneer' and 'DOMS';
 - c. Further strengthen the presence of the Company as an original equipment manufacturer for domestic and international importers and sellers.
- 3.3. The Company shall sell its Products into the Indian market exclusively through Writefine's existing distribution network and in export market through the network of the Company and / Writefine, as long as no conflict of interest with the existing distributors' network occurs.



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However, from the perspective of minimizing the costs and taxation expenses, Writefine and the Company shall evaluate the modalities of the structuring of domestic sales transaction by consulting external experts.

- 3.4. In order to fulfil/achieve the aforementioned objectives of the Company, Writefine and the Gala Group Shareholders shall use their best efforts to formulate and implement the most efficient business model and strategy, as may be mutually agreed between them ("Business Plan").

4. FUNDING POLICY

- 4.1. Any and all future funding of the Company, prior to the exercise of the Purchaser First Call Option by the Purchasers shall be by way of debt, for the purpose of the business of the Company (including for expansion / acquisition of any project), and shall be done on a case to case basis in the manner decided by the Board. Provided, however, that the debt to equity ratio of the Company shall not exceed three times the last approved NFP divided by the last approved EBIDTA. Provided however that the debt infused by the Shareholders pursuant to this Clause 4.1. shall be unsecured and subordinate to all other debt obtained by the Company.
- 4.2. Any and all future funding of the Company, after the exercise of the Purchaser First Call Option by the Purchasers shall be by way of debt and / or equity, for the purpose of the business of the Company (including for expansion / acquisition of any project), and shall be done on a case to case basis in the manner decided by the Board. Provided, however, that the debt to equity ratio of the Company shall not exceed three times the last approved NFP divided by the last approved EBIDTA. Provided however that the debt infused by the Shareholders pursuant to this Clause 4.1. shall be unsecured and subordinate to all other debt obtained by the Company.
- 4.3. Where such additional funding, under Clause 4.2., is proposed to be in the form of equity, in order to maintain the debt equity ratio of the Company as set out in Clause 4.2 above, the Company shall do the same, on a pro-rata basis from the Gala Group Shareholders and Writefine. Where, the Gala Group Shareholders, acting collectively, are incapable of / unwilling to provide such additional funding, notwithstanding the anti-dilution rights set out in Clause 11.7, Writefine shall be free to infuse such funding in the Company in accordance with the Formula Price. Where Writefine is incapable of / unwilling to provide such additional funding, notwithstanding the anti-dilution rights set out in Clause 11.7, the Gala Group Shareholders shall be free to infuse such funding in the Company in accordance with the Formula Price.
- 4.4. The Shareholders Groups shall ensure that all such funds are applied by the Company solely for the purpose of the business of the Company and the projects undertaken by the Company at all times or for such other purpose as may be mutually agreed between the Parties.

5. COMPOSITION AND POWERS OF THE BOARD

5.1. Number and Composition

The maximum number of directors on the Board shall be 5 (five). Out of the 5 (five) directors on the Board, Writefine shall be entitled to nominate 3 (three) directors, one of whom shall be the



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chairman of the Board; and the Gala Group Shareholders shall, collectively, be entitled to nominate 2 (two) of the directors ("Directors").

5.2. Qualification

The Directors on the Board shall not be required to hold any qualification Equity Shares.

5.3. Term

All Directors on the Board shall be liable to retire by rotation.

5.4. Authority

- a. Subject to Applicable Law, the Board shall be responsible for and shall be the absolute authority for the superintendence, direction and control of the Company.
- b. Subject to the terms of this Agreement, the management of the Company shall be conducted by the Executive Directors appointed.

5.5. Casual Vacancy

In the event of a casual vacancy arising on any account, including that of the resignation of a Director on the Board, the Shareholders Group which had originally nominated such Director (whose position on the Board became vacant) shall be entitled to nominate another person to fill the vacancy.

5.6. Alternate Director

The Board may appoint an alternate director ("Alternate Director") who is recommended for such purpose by the Director, as soon as reasonably possible, to act in place of such Director. In the event such Alternate Director ceases to hold office or the Director recommending such Alternate Director wishes to replace such Alternate Director, the Company shall, as soon as reasonably possible, do all things required to effect such appointment, re-appointment or replacement. Such Alternate Director shall be entitled, while holding office as such, to (i) receive notices of meetings of the Board or the committees of the Board; (ii) attend and vote as a Director at any such meetings of the Board or any such committee of which the Director is a member; and (iii) generally exercise all the powers, rights, duties and authorities and to perform all functions of the Director. Further, such Alternate Director shall be entitled to exercise the vote of the Director at any meeting of the Board or any such committee.

5.7. Removal/Resignation of the Directors

- a. Each Shareholders Group shall be entitled to require the removal of its respective Director at any time and shall be entitled to nominate another representative as a Director in place of the Director so removed. Each Shareholders Group shall exercise their rights in such a manner so as to cause the appointment of the nominee of the other Shareholders Group as a Director as aforesaid.



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- b. In the event of the resignation or retirement of a Director, the Shareholders Group which has appointed such Director shall be entitled to nominate another representative as a Director in place of such resigning/retiring Director. The Shareholders Groups shall exercise their rights in such a manner so as to cause the appointment of the nominee of the other Shareholders Group as a Director as aforesaid.

5.8. Committees

- a. The Board may organize additional committees of the Board consisting of such members of the Board, to the extent permitted/required under Applicable Law.
- b. Subject to the Applicable Law, the composition of every committee of the Board shall reflect the composition of the Board.

5.9. Directors' Access

Each Director shall be entitled to examine the books, accounts and records of the Company and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business affairs and financial position of the Company as any Director may require. A Director may provide such information to the Shareholders Group that nominated him.

5.10. Resolution by Circulation

No resolution shall be deemed to have been passed by the Board or a committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all Directors or to all members of such committees, as the case may be, at their usual address, and has been approved by a majority of such of them as are entitled to vote on the resolution.

5.11. Remuneration

- a. The remuneration of the Executive Directors shall be decided mutually by the Shareholders Groups.
- b. Each Shareholders Group shall bear the expenses in respect of the travel and accommodation related arrangements for attending of the Board meetings by its respective Directors.

5.12. Directors' and Officers' Insurance

The Company shall procure suitable directors' and officers' insurance for all the Directors or their Alternative Directors, as the case may be.

6. **QUORUM**

- 6.1. There shall be at least 3 (three) Directors present at a meeting of the Board or its committees, to constitute valid quorum. Out of these Directors, 2 (two) of the Directors shall be those nominated by Writefine and the third director shall be as nominated by the Gala Group Shareholders.



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- 6.2. There shall be at least 3 shareholders (one of whom must be Writefine's representative and another who must be Gala Group Shareholder's representative) present at a general meeting of the shareholders for there to be valid quorum.

7. VOTING

- 7.1. Each Director/shareholder of the Company shall be entitled to one vote at the meeting of the board / shareholders, as the case may be.
- 7.2. The Shareholders Groups shall ensure that their respective Directors shall exercise their voting rights in accordance with the terms of this Agreement.

8. MANAGEMENT OF THE COMPANY

- 8.1. The Board shall designate KG and RG as executive Directors of the Company, to manage the affairs of the Company ("Executive Directors"). The Board shall also appoint managerial personnel, as they may deem fit, including a 'Chief operating Officer' and / or 'Plant Manager' to manage the day-to-day affairs of the Company. All of the Executive Directors and aforementioned managerial personnel, including Plant Manager and the Chief Operating Officer, so designated / appointed such be subject to the overall supervision and control of the Board.
- 8.2. Writefine shall provide full support to the management of the Company and assist it in all management and decision-making process so as to ensure that all decisions are taken in the best interests of the Company.
- 8.3. The terms and conditions governing the appointment, term, remuneration, performance incentives, powers and removal of KG and RG shall be separately dealt with in their respective management agreements with the Company.

9. RESERVED MATTERS

- 9.1. The Parties shall ensure that no action is taken with respect to any of the matters set out below without the prior consent of both the Shareholders Groups each (acting jointly), which consent may be given by way of an affirmative vote of (i) the respective representatives of each Shareholders Groups at a meeting of the shareholders; or (ii) respective Directors of each Shareholders Groups at a meeting of the Board or its committees; or (iii) in writing, by each such Shareholders Groups' representatives as required in case of a circular resolution or a postal ballot, as the case may be:
- a. Amend or propose the amendment of the memorandum of association or articles of association of the Company, except as may be required under the Transaction Documents;
 - b. Enter into any business other than that being carried on by the Company or cause or permit the Company to cease carrying on whole or a part of its business or incorporate any subsidiaries of the Company;



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- c. Any change in the (i) name of the Company; (ii) registered address of the Company; (iii) place of keeping the books and records; and/or (iv) Business Plan of the Company;
- d. Creation or termination of joint ventures, partnerships, amalgamations, mergers, demergers, new subsidiaries and consolidations to which the Company is a party;
- e. Termination or into any lease and / or leave and license agreement by the Company, save in the Ordinary Course of Business;
- f. Except as provided for under this Agreement, alter the number of directors on the Board or appoint any additional directors on the Board.
- g. The Company acquiring any shares, partnership interests or other security interests, or contract to do so, having an aggregate value in excess of INR 1,00,000 (Indian National Rupees One Lakh) (either as a single transaction or as a series of related transactions) only;
- h. The Company acquiring, selling, creating any encumbrance over or otherwise disposing any assets, the aggregate value of which is in excess of INR 1,00,000 (Indian National Rupees One Lakh) (either as a single transaction or as a series of related transactions) only, save in the Ordinary Course of Business;
- i. Opening or closing of any bank accounts in the name of the Company or changing the signatories of any of the bank accounts held in the name of the Company;
- j. The Company entering into, amending or terminating any agreement, contract or agreement with a related party or make any payment not in the Ordinary Course of Business to any related party, except as otherwise specifically provided for in this Agreement;
- k. Issue, allot, buy-back, redeem, alter any rights associated with or forfeit any securities of the Company or options in respect of such securities;
- l. Otherwise than in the Ordinary Course of Business, pass any resolution at the meeting of the Board or shareholders of the Company save as provided in this Agreement;
- m. Otherwise than in the Ordinary Course of Business, cause or permit the Company to (i) undertake borrowings, (ii) give advances, loans or any guarantees or (iii) make an investment aggregating INR 5,00,000 (Indian National Rupees Five Lacs), either as a single transaction or as series of related transactions;
- n. Make any payment to any person exceeding an aggregate of INR 5,00,000 (Indian National Rupees Five Lacs), either as a single transaction or as series of related transactions, otherwise than in the Ordinary Course of Business;
- o. Declare, pay or make any dividend or distribution (whether in cash, securities, property or otherwise) to the shareholders of the Company;



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- p. Make any material changes to the accounting or tax policies, procedures or practices, or take any other material action with respect to taxes or tax returns or filings outside the Ordinary Course of Business of the Company or change the internal or statutory auditors of the Company save and except as required by Applicable law or generally accepted accounting principles in India;
 - q. Transfer or create any encumbrance over any of the securities, including the Shares of the Company, except as provided in this Agreement;
 - r. Change of any of the accounting policies of the Company or any decision regarding appointment/removal/terms of reference of auditors of the Company;
 - s. Alter or reorganize the Share Capital, including calling up of uncalled portion of any Equity Shares;
 - t. The Company entering into, amending or terminating any arrangement, contract or agreement with any employee with annual cost-to-Company of INR 10,00,000 (Indian National Rupees Ten Lacs) or more, or make any payment to any of the directors on the Board, or provide any severance, termination or similar benefits whether or not contingent in nature;
 - u. Any act or omission that may lead to any alteration in the status of the Company as a 'small enterprise' in terms of the MSME Act;
 - v. Voluntary winding up, reference to Board of Industrial and Financial Reconstruction and / or liquidation of the Company or entering into any agreement with any of the creditors of the Company regarding the same;
 - w. Enter into any binding agreement or take any definitive steps to give effect to any foregoing matters; or
 - x. Any of the above, in respect of a subsidiary.
- 9.2. For the avoidance of doubt, wherever applicable, any series of transactions / acquisitions / disposals that taken together have or appear to have the same effect, would be considered as a single transaction.

10. COMPANY'S UNDERTAKING

- 10.1. The Company hereby undertakes and covenants to the Shareholders Groups as follows:
- a. The Company shall not recognize and register any Transfer of Equity Shares unless effected in accordance with the provisions of the Transaction Documents;

11. TRANSFER OF SHARES



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11.1. Lock-in Period

- a. Subject to the transfer of the Remaining Shares according to the Transaction Documents, the Equity Shares of the Company held by the Shareholders Groups shall be locked in for a period of 3 (three) years from the Completion Date ("**Lock-in Period**"), and no Shareholders Group, acting together, shall be entitled to transfer its Equity Shares during the Lock-in Period without the express prior written consent of the other Shareholders Group, acting together, except to such Shareholders Group's Affiliates or to the extent otherwise provided in this Agreement.
- b. Notwithstanding Clause 11.1.a above, it is expressly agreed that during the Lock-in Period, in the event any Shareholders Group Transfers the Equity Shares held by them to their Affiliates, such Transfer shall be subject to the transferee Affiliate executing a Deed of Adherence. In the event any Affiliate to whom Equity Shares are transferred ceases to be an Affiliate of the transferring Shareholders Group, then the transferring Shareholders Group shall immediately purchase the Equity Shares back from such Affiliate. Any failure to do so shall constitute a material breach under the Transaction Documents.

11.2. Writefine Call Options

a. Writefine First Call Option

- i. Writefine shall have an exclusive option, at its sole and absolute discretion, but not the obligation, exercisable after the Completion Date but before the first anniversary of the Completion Date ("**Writefine First Call Option Date**"), to purchase additional 2% of the Shares, comprising 1,000 Shares, owned by the RG and KG, that, in aggregate with the Sale Shares, shall entitle Writefine to 51% of the Shares ("**Writefine First Call Shares**"), along with all rights, title and interest therein and free of all Encumbrances, at an aggregate price, which shall be INR 8,82,500 (Indian National Rupees Eight Lacs Eighty Two Thousand and Five Hundred) ("**Writefine First Call Price**") ("**Writefine First Call Option**");
- ii. Writefine First Call Option shall be exercisable by Writefine by delivery of a written Notice ("**Writefine First Call Option Notice**") which shall state (i) the number of Writefine First Call Shares being purchased and (ii) the Writefine First Call Price.
- iii. Within 10 (ten) Business Days of receipt of Writefine First Call Option Notice by the Gala Group Shareholders, RG and KG shall sell all of the Writefine First Call Shares to Writefine (or its nominees) against the receipt of Writefine First Call Price and do all such things as may be required to give effect to the sale of the Writefine First Call Shares, including executing share transfer forms, recording such share transfer in the books and records of the Company and making requisite filings and obtaining necessary Consents with / from Governmental Authorities per Applicable Law.
- iv. RG and KG shall sell the Sale Shares to Writefine, as set out below:



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S. No	Seller	Number of Sale Shares being sold
1.	RG	500
2.	KG	500
Total		1,000

- v. The Warranties shall be deemed to be repeated on each date up to and including the date of exercise of Writefine First Call Option and the subsistence of the term of this Agreement, as applicable.
- vi. If at any time till the date of exercise of Writefine First Call Option, (i) it is brought to the knowledge of the Gala Group Shareholders/Company that any of the Warranties were untrue, inaccurate or misleading in any respect, or (ii) any event occurs or any matter arises which to the knowledge of the Gala Group Shareholders/Company, results or could reasonably be expected to result in, any of the Warranties being untrue, inaccurate or misleading in any respect, the Gala Group Shareholders shall notify Writefine in writing as soon as reasonably practicable and in any event prior to the transfer of the Writefine First Call Shares.
- vii. From the Completion Date till the date of transfer of the Writefine First Call Shares to Writefine, the Gala Group Shareholders (and to the extent applicable, the Company) shall:
 - Exercise their voting rights, in the capacity of shareholders and through their nominee directors of the Company (where applicable), towards accomplishing that the business of the Company is carried on in the Ordinary Course of Business;
 - Ensure that, notwithstanding the generality of the above, and subject to any additional requirements imposed by the Act, the Gala Group Shareholders do not, without the affirmative written consent of Writefine (as a shareholder or through its nominee director) do or take any actions (i) set out in Schedule A of the SPA; or (ii) which are likely to cause any Material Adverse Effect, whether by way of a resolution by the Board, and/or the shareholders of the Company, or otherwise;
 - Ensure the obtaining of all Consents for the transactions contemplated herein, including in relation to the change of control of Company, from any Governmental Authority or under Applicable Law and/or other third parties by the Gala Group Shareholders in respect of the Company, as may be applicable; and
 - Notify Writefine of the occurrence of any event which may cause a Material Adverse Effect within 2 (two) Business Days of occurrence of such an event; and



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- Ensure that, in their capacity of an executive in the Company, the business of the Company is carried on in the Ordinary Course of Business.

b. Writefine Second Call Option

- Writefine shall have an exclusive option (but not an obligation), exercisable at its sole and absolute discretion, after the fifth anniversary of the Completion Date, to purchase the remaining of the Shares, held by the Gala Group Shareholders on such date that, in aggregate with all the Shares owned by Writefine, shall entitle Writefine to 100% of the Shares ("**Writefine Second Call Shares**"), along with all rights, title and interest therein and free of all Encumbrances, for a consideration which shall be equivalent to higher of the following, and subject to any Writefine Second Call Price Adjustments ("**Writefine Second Call Price**") ("**Writefine Second Call Option**").
 - INR 2,16,21,250 (Indian National Rupees Two Crore Sixteen Lacs Twenty One Thousand Two Hundred and Fifty);
 - (Number of Writefine Second Call Shares) * (Formula Price); or
 - (Number of Writefine Second Call Shares) * (Price per Equity Share as determined using the net asset value calculated using the market value of land and building and book value of the remaining assets minus NFP as ascertained by an independent valuer.)
- The decision of Writefine regarding the determination of the Writefine Second Call Price shall be final and binding on all Parties.
- Writefine Second Call Option shall be exercisable by Writefine by delivery of a written Notice ("**Writefine Second Call Option Notice**") which shall state (i) the number of Writefine Second Call Shares being purchased and (ii) the Writefine Second Call Price.
- Within 10 (ten) Business Days of receipt of Writefine Second Call Option Notice by the Gala Group Shareholders, the Gala Group Shareholders shall sell all of the Writefine Second Call Shares to Writefine (or its nominees) against the receipt of Writefine Second Call Price and do all such things as may be required to give effect to the sale of the Writefine Second Call Shares, including (i) executing share transfer forms; (ii) recording such share transfer in the books and records of the Company; (iii) making requisite filings and obtaining necessary Consents with / from Governmental Authorities per Applicable Law; (iv) changing the names of authorized signatories in all banks accounts held in the name of the Company; and (v) doing all such things as Writefine may reasonably require, in order to ensure that after the transfer of the Writefine Second Call Shares, Writefine (along with their nominees) have all rights, title and interest over 100% of the Shares of the Company.

Provided that, Writefine may pay the Writefine Second Call Price either (i) in cash; or (ii) by issuing shares of Writefine on mutually agreed terms, as the Parties may decide.



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- v. The Warranties shall be deemed to be repeated on each date up to and including the date of exercise of Writefine Second Call Option and the subsistence of the term of this Agreement, as applicable.
- vi. If at any time till the date of exercise of Writefine Second Call Option, (i) it is brought to the knowledge of the Gala Group Shareholders/Company that any of the Warranties were untrue, inaccurate or misleading in any respect, or (ii) any event occurs or any matter arises which to the knowledge of the Gala Group Shareholders/Company, results or could reasonably be expected to result in, any of the Warranties being untrue, inaccurate or misleading in any respect, the Gala Group Shareholders shall notify Writefine in writing as soon as reasonably practicable and in any event prior to the transfer of the Writefine Second Call Shares.
- vii. From the Completion Date till the date of exercise of Writefine Second Call Option, the Gala Group Shareholders (and to the extent applicable, the Company) shall:
 - Exercise their voting rights, both in the capacity of shareholders and directors of the Company (where applicable), towards accomplishing that the business of the Company is carried on in the Ordinary Course of Business;
 - Ensure that, notwithstanding the generality of the above, and subject to any additional requirements imposed by the Act, the Gala Group Shareholders do not, without the affirmative written consent of Writefine, do or take any actions (i) set out in **Schedule A** of the SPA; or (ii) which are likely to cause any Material Adverse Effect, whether by way of a resolution by the Board, and/or the shareholders of the Company, or otherwise;
 - Ensure the obtaining of all Consents for the transactions contemplated herein, including (where applicable) in relation to the change of control of Company, from any Governmental Authority or under Applicable Law and/or other third parties by the Gala Group Shareholders in respect of the Company; and
 - Notify Writefine of the occurrence of any event which may cause a Material Adverse Effect within 2 (two) Business Days of occurrence of such event.

11.3. Gala Put Options

a. Gala First Put Option

- i. During the term of this Agreement, the Gala Group Shareholders shall have the exclusive option, exercisable at their sole discretion, to sell all the Equity Shares held by them at such time ("Gala First Put Shares") to Writefine, at a price determined in accordance with the Formula Price, in the event of change in control or majority shareholding of Writefine ("Gala First Put Price") ("Gala First Put Option").



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- ii. Provided that (i) any *inter se* transfer of shares of Writefine between the shareholders of Writefine, resulting in an overall change in the shareholding pattern of Writefine; and (ii) any initial public offer of shares of Writefine, shall not constitute a change in control of Writefine.
- iii. The Gala First Put Option shall be exercisable by Gala Group Shareholders by delivery of a written notice ("**Gala First Put Option Notice**") to Writefine which shall state the Gala First Put Price. Provided that in the event of any dispute in respect of the Gala First Put Price, the decision of Writefine shall be final and binding.
- iv. Within 10 (ten) days of receipt of the Gala First Put Option Notice by the Gala Group Shareholders, the Gala Group Shareholders shall sell all of the Gala First Put Shares to Writefine (or its nominees) against the receipt of Gala First Put Price and do all such things as may be required to give effect to the sale of the Gala First Put Shares, including executing share transfer forms, making representations and warranties as regards the title to the Gala First Put Shares, recording such share transfer in the books and records of the Company and making requisite filings and obtaining necessary Consents with / from Governmental Authorities per Applicable Law.

Provided that, Writefine may pay the Gala First Put Price either (i) in cash; or (ii) by issuing shares of Writefine on mutually agreed terms, as the Parties may decide.

b. Gala Second Put Option

- i. After the exercise of the Writefine First Call Option, and after the Lock-in Period, but on or before the fifth anniversary of the Completion Date, the Gala Group Shareholders shall have the exclusive option, exercisable at their sole discretion, to sell all the Equity Shares held by them ("**Gala Second Put Shares**") to Writefine, for a consideration which may be (i) in cash; or (ii) in exchange of shares of Writefine equivalent to the value, and subject to any Writefine Second Call Price Adjustments, which shall be higher of the following: ("**Gala Second Put Price**") ("**Gala Second Put Option**").

- INR 2,16,21,250 (Indian National Rupees Two Crore Sixteen Lacs Twenty One Thousand Two Hundred and Fifty);
- $\frac{\text{Number of Gala Second Put Shares} \times \text{Formula Price}}{\text{Price per Equity Share}}$; or
- Number of Gala Second Put Shares * Price per Equity Share as determined using the net asset value calculated using the market value of land and building and book value of the remaining assets minus NFP as ascertained by an independent valuer.



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- ii. The Gala Second Put Option shall be exercisable by Gala Group Shareholders by delivery of a written notice ("**Gala Second Put Option Notice**") to Writefine which shall state the Gala Second Put Price. Provided that in the event of any dispute in respect of the Gala Second Put Price, the decision of Writefine shall be final and binding.
 - iii. Within 10 (ten) days of receipt of the Gala Second Put Option Notice by the Gala Group Shareholders, the Gala Group Shareholders shall sell all of the Gala Second Put Shares to Writefine (or its nominees) against the receipt of Gala Second Put Price and do all such things as may be required to give effect to the sale of the Gala Second Put Shares, including executing share transfer forms, making representations and warranties as regards the title to the Gala Second Put Shares, recording such share transfer in the books and records of the Company and making requisite filings and obtaining necessary Consents with / from Governmental Authorities per Applicable Law.
- 11.4. In the event Writefine purchases the entire shareholding of the Gala Group Shareholders, in terms of Clause 11.3 above,
- a. Writefine shall procure that the Company repays any and all unsecured loans (along with applicable interest and all obligations incurred in respect thereof) taken by the Company from the Gala Group Shareholders within 30 (Thirty) Business Days of transfer of such Equity Shares of the Gala Group Shareholders to Writefine; and
 - b. Writefine may require the Executive Directors to continue performing their functions, as is, vis-à-vis the Company, till such time as may be mutually agreed between the Parties.
- 11.5. Right of First Refusal
- a. After the expiry of the Lock-in Period, the Gala Groups Shareholders shall be entitled to Transfer the Equity Shares held by them at such time of Transfer to any third party, subject to its compliance with this Clause 11.5 .
 - b. Where the Gala Group Shareholders propose to Transfer, or are deemed to Transfer any of the Equity Shares held by them at such time to any third party ("**Potential Transferee**"), then Writefine shall be entitled to a right of first refusal ("**ROFR**") with respect to such Equity Shares which are being proposed to be Transferred.
 - c. Where Gala Group Shareholders propose to sell their Equity Shares, they shall first send a notice ("**Transfer Notice**") to Writefine, which notice shall state (i) the number of Equity Shares to be sold ("**Offered Shares**"); (ii) the amount of the proposed consideration for the sale ("**Offer Price**"); (iii) the other material terms and conditions of the proposed sale; (iv) a confirmation that the Offered Shares are free from any Encumbrances and that the Gala Group Shareholders are the beneficial and sole owner of the Offered Shares; and (v) the name and details of the Potential Transferees.

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- d. For a period of 30 (thirty) Business Days after the receipt of a Transfer Notice ("Offer Period"), Writefine shall have the right to purchase (either by itself, or through an Affiliate) the Offered Shares at the Offer Price and other terms and conditions that may have been set out in the Transfer Notice.
- e. In the event Writefine refuses to buy all of the Offered Shares at the Offer Price within the Offer Period, the Gala Group Shareholders shall be entitled, for a period of 3 (three) months from the expiry of the Offer Period, to sell the Offered Shares at the Offer Price (and similar terms and conditions as set out in the Transfer Notice) to any third party beyond which period of 3 (three) months, this Clause 11.5 shall apply to any Transfer.

11.6. Tag Along

a. Writefine Tag Along

- i. Subject to Clause 11.5 above, if the Gala Group Shareholders have agreed to Transfer the Equity Shares to a third party after the expiry of the Lock-in Period ("Writefine Tag Transferee"), the Gala Group Shareholders shall immediately send a written notice ("Writefine Tag Along Notice") to Writefine, which notice shall state (i) the name and address of the identity of the proposed Writefine Tag Transferee; (ii) the number of Equity Shares proposed to be transferred ("Transfer Equity Shares"); (iii) the amount and form of the proposed consideration and the other terms and conditions of the proposed Transfer ("Writefine Tag Along Consideration"); (iv) a representation that no consideration, tangible or intangible, is being provided to the Gala Group Shareholders that is not reflected in the Writefine Tag Along Consideration; and (v) the number of Equity Shares the Gala Group Shareholders then own.
- ii. Writefine shall have the right ("Writefine Tag Along Right") but not the obligation to require the Gala Group Shareholders in a Transfer of the Transfer Equity Shares, to purchase from Writefine (together with its Affiliates) all Equity Shares owned by it, for consideration which is equal to the Writefine Tag Along Consideration per Equity Shares and upon the same terms and conditions as are to be applied for the Gala Group Shareholders.
- iii. Within 7 (Seven) Business Days following the receipt of the Writefine Tag Along Notice, in the event the Writefine elects to exercise its Writefine Tag Along Right, it shall deliver a written notice of such election to the Gala Group Shareholders ("Writefine Tag Acceptance Notice") and the number of Equity Shares (which shall be calculated in accordance with Clause 11.6.a.ii) Writefine proposes to Transfer to such Writefine Tag Transferee ("Writefine Tag Along Shares"). Such notice shall be irrevocable and shall constitute a binding agreement between the Shareholders Group to sell the Writefine Tag Along Shares and on the Writefine Tag Transferee, to acquire the Writefine Tag Along Shares and on the Gala Group Shareholders to procure that the Writefine Tag Transferee acquires the Writefine Tag Along Shares in terms of this Clause 11.6.



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iv. The closing of any purchase of Writefine Tag Along Shares by the Writefine Tag Transferee from Writefine shall take place simultaneously with the closing of the purchase of Transfer Equity Shares by the Writefine Tag Transferee from the Gala Group Shareholders provided that the Transfer Equity Shares cannot be purchased by the Writefine Tag Transferee without purchasing the Writefine Tag Along Shares from Writefine. At such closing, Writefine shall deliver duly stamped and executed original share certificates in relation to the Writefine Tag Along Shares to the Writefine Tag Transferee. Such Writefine Tag Along Shares shall be free and clear of any Encumbrance (other than those under this Agreement, if any) and Writefine shall represent and warrant that it is the beneficial owner of such Writefine Tag Along Shares. Any Writefine Tag Transferee purchasing the Writefine Tag Along Shares shall, simultaneously, deliver at such closing (or on such later dates as may be provided in the Writefine Tag Along Notice with respect to the payment of the consideration by the proposed Writefine Tag Transferee) payment in full of the Writefine Tag Along Consideration in accordance with the terms set forth in this Writefine Tag Along Notice, provided, however, such payment of the Writefine Tag Along Consideration is not later than the payment of the consideration for the Transfer Equity Shares. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Writefine Tag Along Shares to the Writefine Tag Transferee.

b. Gala Tag Along

- i. If, after the expiry of the Lock-in Period, Writefine have agreed to Transfer the Equity Shares to a third party ("**Gala Tag Transferee**"), Writefine shall immediately send a written notice ("**Gala Tag Along Notice**") to Gala Group Shareholders, which notice shall state (i) the name and address of the identity of the proposed Gala Tag Transferee; (ii) the number of Equity Shares proposed to be transferred ("**Gala Transfer Equity Shares**"); (iii) the amount and form of the proposed consideration and the other terms and conditions of the proposed Transfer ("**Gala Tag Along Consideration**"); (iv) a representation that no consideration, tangible or intangible, is being provided to Writefine that is not reflected in the Gala Tag Along Consideration; and (v) the number of Equity Shares Writefine then owns.
- ii. Gala Group Shareholders shall have the right ("**Gala Tag Along Right**") but not the obligation to require Writefine in a Transfer of the Gala Transfer Equity Shares, to purchase from Gala Group Shareholders (together with its Affiliates) all Equity Shares owned by it, for consideration which is equal to the Gala Tag Along Consideration per Equity Shares and upon the same terms and conditions as are to be applied for Writefine.
- iii. Within 7 (Seven) Business Days following the receipt of the Gala Tag Along Notice, in the event the Gala Group Shareholders elects to exercise their Gala Tag Along Right, they shall deliver a written notice of such election to Writefine ("**Gala Tag Acceptance Notice**") and the number of Equity Shares (which shall be calculated in accordance with Clause 11.6.b.ii) Gala Group Shareholders propose to Transfer to such Gala Tag Transferee ("**Gala Tag Along Shares**"). Such notice shall be irrevocable and shall constitute a binding agreement between the Shareholders Group to sell the Gala Tag



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Along Shares and on the Gala Tag Transferee, to acquire the Gala Tag Along Shares and on Writefine to procure that the Gala Tag Transferee acquires the Gala Tag Along Shares in terms of this Clause 11.6 .

- iv. The closing of any purchase of Gala Tag Along Shares by the Gala Tag Transferee from Gala Group Shareholders shall take place simultaneously with the closing of the purchase of Gala Transfer Equity Shares by the Gala Tag Transferee from Writefine provided that the Gala Transfer Equity Shares cannot be purchased by the Gala Tag Transferee without purchasing the Gala Tag Along Shares from Gala Group Shareholders. At such closing, Gala Group Shareholders shall deliver duly stamped and executed original share certificates in relation to the Gala Tag Along Shares to the Gala Tag Transferee. Such Gala Tag Along Shares shall be free and clear of any Encumbrance (other than those under this Agreement, if any) and Gala Group Shareholders shall represent and warrant that they are the beneficial owner of such Gala Tag Along Shares. Any Gala Tag Transferee purchasing the Gala Tag Along Shares shall, simultaneously, deliver at such closing (or on such later dates as may be provided in the Gala Tag Along Notice with respect to the payment of the consideration by the proposed Gala Tag Transferee) payment in full of the Gala Tag Along Consideration in accordance with the terms set forth in this Gala Tag Along Notice, provided, however, such payment of the Gala Tag Along Consideration is not later than the payment of the consideration for the Gala Transfer Equity Shares. At such closing, all of the parties to the transaction shall execute such additional documents as may be necessary or appropriate to effect the sale of the Gala Tag Along Shares to the Gala Tag Transferee.

11.7. Anti-Dilution

- a. Subject to the provisions of this Agreement, after the expiry of the Lock-in Period, the Company shall be free to issue and allot further Shares, from time to time, in accordance with Applicable Laws.
 - b. If the Company intends to issue and allot shares (or any other securities convertible into shares or any securities giving the right to call for the issue of shares) ("Relevant Securities") other than Relevant Securities being offered to all Shareholders Groups in proportion to the then existing percentage holding of Shares, after the Effective Date, to any third parties ("Further Preferential Issue"), the Company shall first, subject to compliance with Applicable Laws, offer each of the Shareholders Groups (or any entities nominated by it), in writing, the option of subscribing for Relevant Securities on the same terms and conditions (including as to price) as those proposed to be offered to the third party, in such manner as to maintain the then existing shareholding of such Shareholders Group, on a fully diluted basis ("Pro-Rata Top Up").
- 11.8. Save as otherwise provided for in this Agreement, no Shareholders Group (acting jointly) shall Transfer any Equity Shares held by it or create any encumbrance on the Equity Shares, before the Lock-in Period (except to give effect to the terms of the Transaction Documents) without the prior consent of the other Shareholders Group (acting jointly). Provided that, in case such written

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consents are given, the proposed Transfer is to be affected or proposed Encumbrance is to be created within 90 days from the receipt of the last of such written consents.

- 11.9. The Parties agree that the Transfer restrictions in this Agreement and / or in the memorandum of association and articles of association of the Company shall not be capable of being avoided by the holding of the Equity Shares indirectly through a company or other entity that can itself be Transferred in order to dispose of the Equity Shares free of such restrictions. Furthermore, all Transfers of Equity Shares held by any Shareholders Group that are likely to result in the direct or indirect change in control of such Shareholders Group shall require the prior written consent of the other Shareholder, unless such a Transfer is to an Affiliate.

12. DEADLOCK EVENT

- 12.1. For the purpose of this Clause 12, a deadlock ("**Deadlock**") shall be deemed to have occurred if:
- a. the Shareholders Groups are unable to pass a resolution relating to any matter set out in **Schedule B ("Critical Matters")**, which Critical Matters have been proposed at three successive Board meetings or general meetings of the Company (as the case may be) by a Shareholders Group and have not received the necessary majority votes in its favour/against it and Shareholders Group on whose behalf the proposal was made in the Board meetings or the general meeting (as the case may be) notifies the other Shareholders Group within 20 days after such third successive Board meeting or general meeting ("**Deadlock Notice**"), as the case may be, that the Critical Matter has not been resolved to its satisfaction; or
 - b. On two successive occasions of Board meeting or Shareholders Group's meeting cannot be conducted for lack of quorum.
- 12.2. In case of a deadlock in over any matter between the Executive Directors, the subject matter of the Deadlock shall be referred to the Board for their consideration. In all other cases, the Shareholders Groups shall, in good faith, refer the issue covered under such Deadlock to the chairman of the Board of the Company, to resolve such Deadlock through discussions and negotiations to be held as soon as practicable after such Deadlock arises, and in any case not later than 30 Business Days from the date of the Deadlock Notice ("**Chairman Mediation**").
- 12.3. In the event that the Shareholders Groups are unable to resolve Deadlock within 60 Business Days following the Chairman Mediation, then an unresolved Deadlock ("**Unresolved Deadlock**") shall be deemed to exist, a notice of which shall be given by the Shareholders Group which gave the corresponding Deadlock Notice to the other Shareholders Group ("**Unresolved Deadlock Notice**").
- 12.4. Upon the occurrence of an Unresolved Deadlock, the Shareholders Groups shall proceed as follows
- a. Where the Unresolved Deadlock Notice was issued by Writefine, for a period of 6 months from the date of the Unresolved Deadlock Notice, Writefine shall have the right to purchase



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all the Equity Shares held by the Gala Group Shareholders, at a price calculated accordance to the Formula Price ("Writefine Deadlock Call Option");

- b. Where the Unresolved Deadlock Notice was issued by the Gala Group Shareholders, for a period of 6 months from the date of the Unresolved Deadlock Notice, the Gala Group Shareholders shall have the right to purchase all the Equity Shares held by Writefine, at a price determined as per the Formula Price ("Gala Deadlock Call Option");
- c. In the event Writefine does not exercise the Writefine Deadlock Call Option, or the Gala Group Shareholders do not exercise the Gala Deadlock Call Option, then the Parties shall drop the Deadlock.

12.5. For the removal of doubts, all actions including but not limited to execution of share transfer forms, making representations and warranties with regards title of the Equity Shares to be transferred, recording such transfer in the books and records of the Company and making exit filing with Government Authorities shall be completed within the time specified above.

12.6. The time taken by any Party for receipt of approval from the Government Authorities for the confirmation of the sale and purchase of Equity Shares shall be excluded from the time period specified above.

13. ALTERATION OF MEMORANDUM AND ARTICLES

13.1. The memorandum of association and articles of association shall be altered to incorporate therein such of the provisions of this Agreement, and every other Transaction Document to which this Agreement maybe subservient or interlinked as may be required to make this Agreement fully effective and for this purpose and to this end, the Parties shall all steps necessary or required under and in accordance with the Act.

13.2. If any provision of the ~~memorandum of association and articles of association of the Company~~ at any time conflicts with ~~any provision of this Agreement, the Shareholders Group shall,~~ whenever necessary, ~~execute all voting and other resolutions and powers available to them in accordance with the Act~~ the amendment, waiver or suspension of the relevant provisions of the memorandum of association and articles of association to the extent necessary to permit the affairs of the Company to be administered as provided in this Agreement or the Transaction Documents to which this Agreement may be subservient or interlinked.

14. REPRESENTATIONS AND WARRANTIES

14.1. The Gala Group Shareholders and the Company hereby jointly and severally represent, warrant and undertake to Writefine and acknowledge that Writefine is entering into this Agreement relying on such representations, warranties and undertakings.

14.2. The representations and warranties by the Gala Group Shareholders set forth in this Agreement shall be separate and independent and save as expressly provided shall not be limited by reference to any other paragraph or anything in this Agreement or the Schedules.



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- 14.3. The representations and warranties by the Gala Group Shareholders are made on the Effective Date shall be deemed to be repeated on each date up to and including the Completion Date and the subsistence of the term of this Agreement, as applicable.
- 14.4. No information relating to representations and warranties by the Gala Group Shareholders and/or the Company of which Writefine has/have knowledge (actual or constructive), and no investigation by or on behalf of Writefine or any of its respective agents, representatives, officers, employees or advisers, shall prejudice any claim made by Writefine, as the case may be, under the indemnity contained in Clause 16 or operate to reduce any amount recoverable thereunder. It shall not be a defense to any claim against the Gala Group Shareholders (in respect of the representations and warranties by the Gala Group Shareholders) that Writefine knew or ought to have known or had constructive knowledge of any information relating to the circumstances giving rise to such claim. The representations and warranties by the Gala Group Shareholders shall not be in any manner limited by any information disclosed or made available to or received by Writefine or any representative(s) of Writefine.
- 14.5. Each of the Gala Group Shareholders represents and warrants to Writefine as follows:
- a. The Agreement is a legal, valid and binding obligation on each of the parties comprising the Gala Group Shareholders individually and is enforceable against such party comprising the Gala Group Shareholders individually, in accordance with its terms.
 - b. No proceeding for bankruptcy or insolvency has been initiated and any order in this regard has been made against any of the Gala ;
 - c. The execution and delivery of this Agreement and the performance of the obligations contemplated therein by all parties comprising the Gala Group Shareholders individually, does not and shall not:
 - i. Violate any Applicable Law;
 - ii. Contravene the terms of any judgment, order, ruling or decree passed in respect of such parties comprising the Gala Group Shareholders individually; and
 - iii. Result in a breach of, or constitute a default under, any contract to which such parties comprising the Gala Group Shareholders individually is a party

15. SHAREHOLDERS' UNDERTAKING

- 15.1. During the Term of the Agreement, Writefine and/or the Gala Group Shareholders and / or their Affiliates hereby agree that any future ventures/investments/development projects/acquisitions in any business similar to the Business in this Territory ("**Investment Opportunity**") shall be undertaken, carried on, implemented or ~~operated~~ ~~by the Company~~.



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- 15.2. The Shareholders Groups shall and shall ensure that their respective nominees on the board, or its committees if any, always vote in favour of any resolution or proposal required in order to effect any provisions of the Transaction Documents.
- 15.3. The Gala Shareholders Group undertakes to (and shall, in any case, be deemed to) act collectively and unanimously at all times, including while passing of resolutions at a meeting of the shareholders of the Company, casting their votes through postal ballots, etc.

16. INDEMNITY

- 16.1. The Gala Group Shareholders shall, jointly and severally, protect, defend, indemnify and hold harmless Writefine (including its Affiliates) and/or the Company (the "Writefine's Indemnified Persons") against and in respect of any and all losses, claims, expenses, damages, fees, liabilities and/or obligations (including (i) legal fees; (ii) professional and expert fees; (iii) expenses, (iv) court costs and (v) cost of investigation incurred in connection with the defence or prosecution of any indemnifiable claim and those incurred in connection with the enforcement of this provision) (collectively, "Writefine's Damages") asserted against, resulting from, arising out of, imposed upon, or incurred or suffered by any of Writefine's Indemnified Persons which results from, arises out of or is caused: by (i) any liabilities that were accrued or incurred by the Company before the Completion Date or the cause of action for which arose before the Completion Date (ii) any breach by the Gala Group Shareholders of any covenant or obligation contained in this Agreement; or (ii) any misrepresentation or breach of the representations or warranties of the Gala Group Shareholders contained this Agreement.
- 16.2. Writefine shall be entitled to set off (or procure the setting off of) any sums owed by the Gala Group Shareholders against Writefine's Damages, from any sums owed by Writefine or the Company to the Gala Group Shareholders, including sums due as interest to the Gala Group Shareholders, on unsecured loans extended by the Gala Group Shareholders to the Company.
- 16.3. The rights of Writefine's Indemnified Persons in pursuance of this Clause 16 shall be in addition to and not exclusive of, and shall be without prejudice to any other rights and remedies available to the indemnified persons at equity and at law which will include the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies will be affected or diminished thereby.

17. CONFIDENTIALITY

- 17.1. The terms of this Agreement and all other business, financial or other information relating directly to the conduct of the business and affairs of the Company or the relative or absolute rights or interests of any of the Parties hereto (collectively, the "Confidential Information") that have not been publicly disclosed pursuant to authorization by the Board and/or Governing Body, as applicable are confidential and proprietary information of the Company, the disclosure of which would cause irreparable harm to the Company.
- 17.2. Accordingly, each of the Parties represents that it has not, and agrees that it shall not and shall direct its members, shareholders, partners, directors, officers, agents, advisors and Affiliates



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(each a "Recipient" and collectively "Recipients") not to, disclose to any person any Confidential Information or confirm any statement made by third persons regarding Confidential Information unless required under applicable law or unless and until either such disclosure has been authorized by the board of directors of the Company, or, the Company has publicly disclosed the Confidential Information pursuant to authorization by the Company's management. Notwithstanding the foregoing, information shall not be deemed Confidential Information and the Recipient thereof shall have no obligation with respect to any such information which:

- a. is already known to the Recipient and/or has been independently and legally derived or developed by the Recipient at the time of disclosure, in each case as evidenced by its written records; or
- b. is or becomes publicly known through no negligence or other wrongful act of the Recipient, or
- c. is received by the Recipient from a third party which was not, to the Recipient's knowledge, under an obligation to the disclosing party or to the Company not to disclose such information and without breach of this Agreement.

17.3. Notwithstanding the foregoing, any of the Parties (or its Affiliates) may disclose Confidential Information:

- a. if required by law or the mandatory reporting obligations of any Party pursuant to Applicable Law, but subject to the provisions of Clause 17.3.b below;
- b. if necessary for it to perform any of its duties or obligations hereunder, to its accountants, attorneys or other advisors who have a need to know such Confidential Information.
- c. In each case, provided, such disclosure is limited to the minimum disclosure required for such purpose.

17.4. Disclosure to third parties

Upon any Shareholders Group entering into negotiations with any Person with a view to Transferring any Equity Shares to such Person, information in respect of the Company that is reasonably necessary to permit such person to evaluate the business of the Company may be provided to such Person, provided that (a) such Person has executed a confidentiality agreement in such form as may be reasonably required by the Board, (b) if such Person is a competitor, the Board may prohibit the disclosure of any such Confidential Information as the board may determine, and (c) prior to disclosing any Confidential Information to such Person, the Shareholders Group shall disclose to the Board the identity of such Person and, to the extent known, its Affiliates.

18. **NON-COMPETE**



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- 18.1. During the Term of the Agreement, neither Writefine nor any of its Affiliates shall directly or indirectly own, strategically invest, control, acquire, operate or manage, in any business in the Territory which falls into the scope of Competing Business nor do or facilitate or assist in doing any act which is likely to directly or indirectly compete with the Business, whether on its own account or as a consultant to as a partner, agent, employee, shareholder or director of any other Person, without first doing the following:
- a. Offering the opportunity to collaborate on such ownership, investment, control, acquisition, operation, management, participation or engagement of any business in the Territory which falls into the scope of Competing Business, to Gala Group Shareholders, first.
 - b. In the event Writefine and the Gala Group Shareholders are unable to reach a mutually agreeable plan to execute such ownership, investment, control, acquisition, operation, management, participation or engagement within 30 (Thirty) Business Days of Writefine first offering such opportunity to the Gala Group Shareholders, Writefine shall be free to exclusively proceed with such ownership, investment, control, acquisition, operation, management, participation or engagement of any business in the Territory which falls into the scope of Competing Business.
- 18.2. Notwithstanding Clause 18.1 above, where either of the Shareholders Groups are already engaged in any Competing Business as on the Effective Date, they may continue to engage in such Competing Business, provided that, they shall take all measures so as to ensure no conflict of interest while carrying on such Competing Business.
- 18.3. Notwithstanding anything to the contrary contained herein, Writefine shall be entitled to procure products that are being manufactured by Pioneer from other vendors on a client-vendor relationship and this is not be construed as violating the non-compete.

19. TERMINATION

- 19.1. The provisions of this Agreement shall come into effect as on the Effective Date and shall continue to have effect till such time that this Agreement is terminated.
- 19.2. This Agreement shall stand terminated:
- a. In the event the Gala Group Shareholders have breached any Warranties at any point of time during the subsistence of term of this Agreement, or any other covenant or agreement of the Gala Group Shareholders and/or the Company contained in this Agreement and such breach cannot be or is not waived by Writefine in its sole discretion; or
 - b. Upon any Shareholders Groups (acting together) ceasing to hold any Equity Shares; or
 - c. Upon mutual consent of all Parties, conveyed in writing.

20. GOVERNING LAW AND JURISDICTION



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20.1. This Agreement shall be governed by the laws of India and shall be subject to the exclusive jurisdiction of the Courts at Gujarat, India.

21. DISPUTE RESOLUTION

21.1. In the event of any claim, dispute or difference arising out of or in connection with this Agreement, or out of or in connection with any breach, or alleged breach of this Agreement or the dispute over Writefine's Damages ("Dispute") between the Parties, the Parties hereby agree to refer such Dispute to arbitration. The arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996 and shall be held in Gujarat in the following manner:

- a. The Dispute shall be resolved by one arbitrator mutually appointed amongst the Parties. In the event the Parties are unable to mutually appoint an arbitrator, Writefine and the Gala Group Shareholders shall be entitled to appoint one arbitrator each and the two arbitrators so appointed shall appoint a third, presiding arbitrator.
- b. All proceedings shall be conducted in English;
- c. The cost of the arbitration shall be borne by the Parties equally.
- d. The arbitration award made by the sole arbitrator shall be final and binding on the Parties.

21.2. This Clause 21 shall survive the termination of this Agreement.

22. MISCELLANEOUS

22.1. Notices

a. Any notice provided for in this Agreement shall be in writing and shall be (i) first transmitted by email or facsimile transmission, and then confirmed by postage, prepaid registered post with acknowledgement due or by internationally recognised courier service or (ii) sent by postage, prepaid registered post with acknowledgement due or by internationally recognized courier service:

i. In the case of notices to the Gala Group Shareholders:

Name: *Kanti Bhavanji Gala*
Address: *B-205 Shatrunjay Darshan, Motisha Cross Lane,
(Love Lane), Byculla Mumbai - 400027*
Email ID: *kemngala@gmail.com*
Fax: *+91 22 27895925*

ii. In the case of notices to Writefine:

Name: *Writefine Product Pvt Ltd*
Attention: *Santosh Rasiklal Raveshia*



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Address: Plot 117,52-Hectar Expansion Area, G.I.D.C.,
Umbergaon, Dist. Valsad, Gujarat - 396171
Email ID: santosh@domsindia.com
Fax +91 260 2563614

iii. In the case of notices to the Company:

Name: Pioneer Stationery Pvt Ltd
Attention: Mr. Kanti Bhavanji Gala
Address: Plot No: A1- 244/17, GIDC Phase II, Umbergaon,
Dist. Valsad, Gujarat-396171
Email ID: kennygala@gmail.com
Fax +91 22 27895925

- b. All notices shall be deemed to have been validly given on (i) the Business Day immediately after the date of confirmation of transmission recorded on the sender's computer in case of email transmission, or (ii) the expiry of seven (7) Business Days after posting, if sent by post.
- c. Either Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving all the other Parties not less than ten (10) Business Days prior written notice.

22.2. Amendments and Waiver

- a. No modification or amendment to this Agreement and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by or on behalf of the Parties. No waiver of any breach of any provision of this Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided in the written waiver, shall be limited to the specific breach waived.

22.3. Assignment

- a. 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 Parties. Notwithstanding the foregoing Writefine may assign (in whole or in part) the benefit of this Agreement to any Affiliate provided that if such assignee ceases to be an Affiliate all benefits relating to this Agreement assigned to such assignee shall be deemed automatically by that fact to be re-assigned to Writefine immediately before such cessation.

22.4. No Partnership

- a. Nothing contained in this Agreement shall constitute or be deemed to constitute a partnership or association of persons between the Parties, and no Party shall hold himself



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out as an agent for the other Party, except with the express prior written consent of the other party.

22.5. Time

- a. Any date or period as set out in any Clause of this Agreement may be extended with the written consent of the Parties, failing with such time shall be of essence.

22.6. Independent Rights

- a. Each of the rights of the Parties hereto 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 the Transaction Documents or otherwise.

22.7. Variation

- a. No variation of this Agreement shall be binding on any Party unless such variation is in writing and signed by each Party.

22.8. No Assignment

- a. Subject to the provisions of this Agreement, this Agreement is personal to the Shareholders Groups and shall not be capable of assignment, except with the prior consent of the other Shareholder, provided, however, that each of the Shareholders Groups shall have the right to assign its rights and obligations under this Agreement to its/their Affiliate(s) without the prior consent of the other Shareholder, subject to such Affiliate signing a Deed of Adherence.

22.9. Waiver

- a. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving Party.

22.10. Reservation of Rights

- a. No forbearance, indulgence or relaxation or inaction by Writefine 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 the purchaser to require performance of that provision. Any waiver or acquiescence by Writefine 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.

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22.11. Severability

- a. Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such and in the event of any obligation or obligations being or becoming unenforceable in whole or in part. To the extent that any provision or provisions of this Agreement are unenforceable the Parties shall endeavor to amend such clauses as may be necessary to make the provision or provisions valid and effective. Notwithstanding the foregoing any provision which cannot be amended as may be necessary to make it valid and effective shall be deemed to be deleted from this Agreement and any such deletion shall not affect the enforceability of the remainder of this Agreement not so deleted provided the fundamental terms of the Agreement are not altered.

22.12. Non-Exclusive Remedies

- a. The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any Party may otherwise have per Applicable Law or in equity. The rights and remedies of any Party based upon, arising out of or otherwise in respect of any inaccuracy or breach of any representation, warranty, covenant or agreement or failure to fulfill any condition shall in no way be limited by the fact that the act, omission, occurrence or other state of facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, warranty, covenant or agreement as to which there is no inaccuracy or breach.

22.13. Cost and Expenses

- a. Writefine shall bear the costs and expenses relating to the negotiation, preparation and execution of the Agreement and the Gala Group Shareholders shall bearing the other costs in respect of transactions contemplated under the Transaction Documents, including the stamp duty and registration costs.
- b. Notwithstanding Clause 22.13.a above, all tax liabilities arising in connection with, as result of, or in relation to the performance of this Agreement by any of the Parties shall be borne by the respective Party.

22.14. Entire Agreement

- a. This Agreement constitutes the entire agreement of the Parties relating to the subject matter hereof and supersedes 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.

22.15. Partial Invalidity

- a. 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



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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.

22.16. Counterparts

- a. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, and all such counterparts taken together shall be deemed to constitute one and the same instrument.

22.17. Announcements

- a. The Parties shall not make, and shall not permit any of their respective directors, employees, officers, or Affiliates to make, any public announcement about the subject matter of this Agreement or regarding the Gala Group Shareholders or any of their business and operating plans from time to time, whether in the form of a press release or otherwise, without first consulting with each other and obtaining the other Parties' written consents.

22.18. Rights of Third Parties

- a. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any Person, other than the Parties hereto any rights or remedies under or by reason of this Agreement or any transaction contemplated by this Agreement.

22.19. Survival

- a. The termination of this Agreement shall in no event terminate or prejudice (i) any right or obligation arising out of or accruing under this Agreement attributable to events or circumstances occurring prior to such termination; (ii) any provision which by its nature is intended to survive termination, including the provisions of Clause 14 (Representations and Warranties), 16 (Indemnity), 17 (Confidentiality), 20 (Governing Law), and 21 (Dispute Resolution).

(Signature Pages to Follow)



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IN WITNESS THEREOF THE PARTIES IN THEIR FREE CONSENT AND FULL UNDERSTANDING WITH THE INTENT TO LEGALLY BIND THEMSELVES TO THIS AGREEMENT EXECUTE THIS SHARE PURCHASE AGREEMENT

<p>Signed and delivered for and on behalf of WRITEFINE</p> <p>Name: Santosh Rasiklal Baveskia</p> <p>Signature: </p> <p>Date: 01 Aug 2015</p> 	<p>Signed by KG</p> <p>Name: Kanti Bhavanji Gala</p> <p>Signature: </p> <p>Date: 01.08.2015</p>
<p>Signed and delivered for and on behalf of COMPANY</p> <p>Name: Kanti Bhavanji Gala</p> <p>Signature: </p> <p>Date: 01.08.2015</p> 	<p>Signed by RG</p> <p>Name: Rajendra Bhavanji Gala</p> <p>Signature: </p> <p>Date: 01-08-2015</p>
<p>Signed by BG</p> <p>Name: Bhavna Rajendra Gala</p> <p>Signature: </p> <p>Date: 01-08-2015</p>	<p>Signed by PG</p> <p>Name: Pooja Rajendra Gala</p> <p>Signature: </p> <p>Date: 01-08-2015</p>

SCHEDULE A

(Deed of Adherence)

This Deed is made on • between:

Pioneer Stationery Private Limited ("Company");

- ("New Shareholder");
- ("Original Shareholder"); and
- ("Continuing Shareholders")

WHEREAS:

- A. The Original Shareholder, the Company and the Continuing Shareholder are Parties to a Shareholders Agreement dated • ("Agreement").
- B. The New Shareholders proposes to purchase • Equity Shares of INR 10 (Indian National Rupees Ten) each in the capital of the Company from the Original Shareholder in terms of a Share Purchase Agreement dated • executed between them. The New Shareholder is an Affiliate of the Original Shareholder.
- C. This Deed is made by the New Shareholder in compliance with the Agreement.
- D. Capitalized terms used but not defined in this deed shall have the respective meanings given to them in the Agreement.

THIS DEED WITNESSES AS FOLLOWS:

1. The New Shareholder confirms that it has been supplied with a copy of the Agreement and has fully understood the terms thereof.
2. The New Shareholder agrees to hold the Equity Shares referred to in Recital B above subject to the Agreement and the memorandum of association and articles of association of the Company.
3. The New Shareholder undertakes to the Continuing Shareholders and the Company to be bound by the Agreement in all respects as if the New Shareholder was a party to the Agreement and named in it as a part of the Gala Group Shareholders, and to observe the and perform all the provisions and applications of the Agreement applicable to it / binding on the Gala Group Shareholders under the Agreement in so far as they fail to be observed or performed on or after the date of this Deed.
4. It is hereby clarify that from the date of execution of this Deed, all references to the term 'Gala Group Shareholders' in the Agreement shall include the New Shareholder.
5. The Continuing Shareholder undertakes to the New Shareholders to observe and perform all the provisions and obligations of the Agreement applicable to or binding on them under the



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Page 41 of 43

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Agreement and acknowledge that the New Shareholders shall be entitled to the right and benefits of the Agreement in accordance with the terms of this Agreement.

6. This deal is made for the benefit of the Parties to the Agreement and every other person who after the date of this Agreement and whether before or after the execution of this deed assume any rights and obligations under the Agreement or adheres to it.
7. The address and personal number of the New Shareholder for the purpose of the Agreement as follows:
 -
8. This deed may be executed in any number of counterparts, all of which taken together constitute one and the same deed and any Party may enter into this deed by executing a counterpart.
9. The terms regarding governing law and dispute resolution contained in the Agreement shall apply, mutatis mutandis, to this Deed.

IN WITNESS OF WHICH THIS DEED HAS BEEN EXECUTED AND HAS BEEN DELIVERED ON THE DATE WHICH APPEARS FIRST ON PAGE 1.

Signed and delivered by:

Signed and delivered by:

Signed and delivered by:

Signed and delivered by:



Reg. JY JY
BS PG



SCHEDULE B

(Critical Matters)

1. Mergers, demergers, amalgamations, liquidation / voluntary dissolution / winding up of the Company;
2. Agreeing to consolidated budget and Business Plan and material amendments thereto;
3. Increasing and decreasing the authorized share capital of the Company;
4. Issuance or buyback of any securities of the Company;
5. Acquisition of any asset, undertaking or business having value of INR 2,00,000 (Indian National Rupees Two Lacs) or more, and
6. Disposal of any 'undertaking' (as defined under the Act) of the Company



PG PG
BG PG

