

20 Rs.



क्रमांक सं. ५१/१९९९



गुरुक प्रमुख लिपिक
कोषागार कार्यालय, ठाणे.

पिकीचे ठिकाण : कोशी कन्सल्टन्सी
६-जोनस बगवडे रोड ६० ए कॉम रोड,
मिर्जापूर

अनुक्रमांक 824 दिनांक 20/-
नांव D. Parmar
दरजे C/Inan

25 MAY 2004

DK
दंडा बन्ध
अविना विवीर बोडके


9 APR 2004

AGREEMENT

THIS agreement is made and entered into at Mumbai this Twenty Ninth Day of May, in the Christian year Two Thousand Four Between Shri **Dhirubhai Chanabhai Parmar**, Shri **Manish Dhirubhai Parmar** and ~~Smt. Damyanti Dhirubhai Parmar~~ all Hindu Inhabitants of Mumbai residing at 71, Chitra, Shantilal Modi Road, Kandivli (West), Mumbai - 400 067, and Shri **Dilip Purshottamdas Zaveri** also a Hindu Inhabitant of Mumbai, residing at B/303, Yashprabha, Shimpoli Road, Borivali (West), Mumbai - 400 092 for themselves and for and on behalf of various

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other shareholders of **Dhruv Electricals Private Limited**, hereinafter collectively referred to as the "**Vendors**", which expression shall, unless it be repugnant to the context or contrary to the meaning thereof, be deemed to mean and include their respective heirs, executors, administrators, of the **one part**, and **Shri Shantilal Chandanmal Jain**, **Shri Manish Shantilal Jain** and **Shri Manoj Shantilal Jain** also Hindu inhabitants of Mumbai, residing at Second floor, Sakarwala Building, 129, V.P. Road, Mumbai - 400 004, hereinafter collectively referred to as the "**Purchasers**", which expression shall, unless be repugnant to the context or contrary to the meaning thereof, be deemed to mean and include their respective heirs, executors, and administrators of the **Other Part**;

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WHEREAS The Vendors are the Shareholders and directors of **Dhruv Electricals Private Limited**, a Company incorporated under the Companies Act, 1956 and having its registered office at 3, Bubna Shopping Centre, S.V. Road, Kandivli (West), Mumbai - 400 067 hereinafter referred to as the "**Company**";

AND WHEREAS the existing authorised, Issued, Subscribed, and Paid Up Share Capital of the Company is Rs. 5,00,000/- divided into 5,000 Equity Shares of Rs. 100/- each;

AND WHEREAS The Vendors and their family members amongst themselves hold the entire subscribed and paid up by the Equity Capital of the Company, the detailed particulars of the Shares held by each such Vendor and the Distinctive Nos. of Shares held by them in the Company, being more particularly set out against their respective names in the **First Schedule** hereunder written hereinafter referred to as the "**shares**";

AND WHEREAS the Company has set up a Factory at Plot No.13/B, Survey No. 47/2 of Village Vevoor, Taluka Palghar, District Thane in the State of Maharashtra for assembly of air coolers, fans, and allied products as a small-scale industry having registration no. 1/24/07450/PMT/SSI;

AND WHEREAS as per the Provisional Balance Sheet drawn at 31/03/2004, copy whereof is annexed hereto and marked as **Exhibit 'A'** the total assets and liabilities of the Company are aggregating to Rs.37,47,532.94

AND WHEREAS the Vendors herein are desirous of selling and transferring the entire shareholding in the Company to the Purchasers and the Purchasers are desirous of purchasing the entire Equity and/or shareholding of the Vendors in the said Company and thereby taking

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over the Company along with ~~certain~~ assets and liabilities for the consideration and on the terms and conditions more particularly hereinafter appearing;

AND WHEREAS the parties hereto are desirous of reducing the terms and conditions in writing;

Now it is hereby agreed, recorded and confirmed by and between the parties hereto as follows:

1. The Vendors shall sell and/or procure sale in favour of the Purchasers and the Purchasers shall, by themselves or their family members purchase or cause to be purchased from the Vendors the said Shares held by the Vendors in the Capital of the Company aggregating to Rs. 500,000 (Rs. Five lacs) i.e. at or for the price of Rs. 100/- per Equity Share to be paid in the manner mentioned in the said First Schedule hereunder written. The aforesaid amount of Rs 5,00,000/- shall be paid to and distributed amongst the vendors in such manner that each of the Vendors shall receive or be entitled to receive the amount specified in the said First Schedule against the name of each of the Vendors as appearing therein. The Purchasers shall also bring into the Company an additional sum aggregating to Rs 7,00,000 (Rupees seven lacs) by way of additional capital-Equity/preference/ unsecured loan, which shall be utilized by the Company for discharging its liabilities in the manner specified hereinunder. ~~The payment by the Purchasers so made under this clause aggregating to Rs.12,00,000 (Rupees Twelve lacs) shall constitute the discharge of purchase consideration for transfer of undertaking of the Company along with the goodwill,~~

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~~premises and all other assets and the 100% Equity Capital in
the Company specified in detail in **Exhibit B** hereto and the
said transfer/sale of shares and Equity by the Vendors in
favour of the Purchasers shall be in the nature of and shall be
termed as takeover of the Company as a going concern.~~

2. Thereupon, the Vendors herein shall forthwith proceed to realise the remaining assets and repay all the remaining liabilities not taken over by the purchasers as per the said Exhibit B and any surplus or deficit or any new assets or liabilities accruing or arising to the account of the Vendors.
3. The Vendors declare that they have checked and scrutinized also verified all the assets and properties of the Company, also all the books and records of the Company as also the files of the Company to its properties and the working, set out in the Balance Sheet and Profit and Loss Account and have found the same to be correct and satisfactory and that save as specified in clause 1 hereof they shall not seek any enhancement of the purchase price on the account of any variations or inaccuracy that may be noticed or found in the said Balance Sheet and Profit & Loss Account from the workings contained therein or in any of the books and records at any time hereafter and also expressly declare that there are no other liabilities other than those shown in the said Balance Sheet owing or due to any creditors or Government or any other authorities whether as a commercial debt or as accrued expenses like salaries, electricity bills, wages any taxes or subsidies of any kind whatsoever and **TO THE END AND INTENT** the Purchasers have agreed to purchase,

acquire the said shares on as is where is basis subject however to what has been provided hereinabove.

4. The Vendors agree and undertake upon execution of these presents and receipt of payment of the amount specified in clause (1) hereof, to forthwith carry out all activities and do such acts, deeds and things and take all such steps as may be necessary for allotment or transfer or endorsement of the Shares in the names of the purchasers immediately including in particular the convening of Board Meeting/General Meeting for allotment /transfer modification of the Share Capital, the filing of statutory Form 2/32 with the Registrar of Companies and preparation of Share Certificates etc and to appoint the Purchasers as the directors at the Board of Directors of the Company thereby effecting constructive changes in the management of the Company.
5. After receiving all the funds in terms of this agreement, the Vendor shall resign from the Board of Directors of Company unless expressly requested by the Purchasers to continue as directors for facilitating the effective transition of management in favour of the Purchasers.
6. The Vendors shall, at the cost and request of the purchaser complete all the formalities pertaining to the takeover of the said Company under the Companies Act, 1956 as also Sales Tax, Income Tax or under the subsidy regulations or under any other law whatsoever and for this purpose, they shall sign, execute and do or cause to be signed executed and done all such further and other acts, deeds, resolutions, documents matters and/or things as are or may be necessary

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or required for completely and/or effectively implementing the terms and provisions of this Agreement and otherwise co-operate with the Purchasers in all ways to obtain a speedy and smooth takeover of the business and management of the Company.

7. Thereupon, the Vendors shall surrender all their right, title and interest in the Company or the said factory or any other property brand, assets, contract of the Company to the purchasers and thereby enable the Purchasers to have and hold the said Company and its assets without any hindrance or interference of any kind whatsoever. The Vendors shall also be liable to execute an affidavit recording the aforesaid procedure in a format to be mutually decided by the concerned parties if necessary.
8. It is further mutually agreed that any liabilities of the Company in respect of or pertaining to any matters or activities conducted or benefit derived prior to the date hereof shall be discharged and/or met with by the Vendors alone and the purchasers shall be entitled to be indemnified and/or be reimbursed by the Vendors immediately without any delay or demur or latches.
9. The Vendors do hereby declare that the Company has not received from any of its creditors any notice or communication for taking it into liquidation nor has it received any notice or communication from the Central or State Government or from any local or public authority or body for requisition or acquiring or otherwise taking over of all or any of its assets, the Company has duly complied with all the

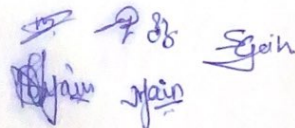
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provisions of the Companies Act, 1956 and all other statutes or laws for the time being in force and also that there are no encumbrances or restrictions or demands upon the transfer/takeover from any quarters or of any kind whatsoever The Vendors do and each of them doth also hereby declare that the said shares are their absolute property and that the same are free from encumbrances or claims of any kind or nature whatsoever and do hereby undertake to forthwith indemnify and reimburse the purchasers for any losses, damages or expenses arising on account of such restrictions encumbrances or claims etc..

10. On completion of the takeover as herein provided, the Vendors shall handover to the Purchasers the entire original documents specified in **Schedule II** hereunder written.

11. The Vendors also undertake to deliver or cause to be delivered to the Purchasers whose names are set out in the First Schedule hereunder written the number of respective shares with respective certificates together with the proper instruments of transfer relating thereto duly executed by or on behalf of each of the Vendors to enable the Company to effect the transfer of said share to the name of the Purchasers.

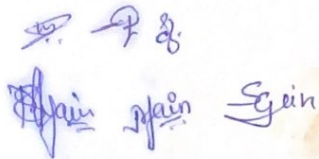
12. The Vendors hereby waive the preemptive rights conferred upon them by the Articles of Association of the Company and the notice of the sale of the said shares to be given to them as required under the Articles of Association of the Company or in the law and hereby give their respective consents to the



sale of the said shares at the prices and in terms of this agreement.

13. Each of the Purchasers hereby agree and undertake that they shall ensure and procure that all the liabilities of the company that are taken over in accordance with the provisions of these presents shall, save and except the liabilities otherwise specified in these presents be paid and/or discharged by the Company and if the Vendors or any of them are called upon to pay or to discharge any such liabilities the Purchasers and each of them shall indemnify and they shall ensure and procure that the Company shall indemnify the vendors and each of them against their respective estates and effects of from and against the same and also of from and against all cost, charges, expenses, losses and/or damages that the Vendors and/or anyone or more of them may have to suffer sustain or incur as a result of or arising out of or on account of any action claim demand and/or proceedings that any such creditors may have made or taken against the vendors or any one or more of them by the reason of non - payment of any such liability as aforesaid.

14. All costs, charges and expenses, including stamp duty, share transfer fees and other out of pocket expenses and costs of and incidental to the verification and examination of the records of the Company, declaration and/or indemnities and/or guarantee to be given by the parties and the likely will be borne and paid by the Purchasers. Each party shall bear

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and pay the professional fees of their respective
Advocates/Chartered Accountants.

IN WITNESS WHEREOF, the parties hereto have hereunto and
to the duplicate of this Agreement set and subscribe their
respective hands and seals the day and year first hereinabove
written.

Signed Sealed And Delivered By)

Shri Shantilal Chandanmal Jain

) शान्तीलाल चंदनमलजी,

Shri Manish Shantilal Jain

) Manish S. Jain

Shri Manoj Shantilal Jain

) Manoj S. Jain

The Withinnamed "Purchasers")

In The Presence Of

Bai
Dr. Parvati

Gandhi

Signed Sealed And Delivered By)

Shri Dhirubhai Chanabhai Parmar

) Dhirubhai

Shri Manish Dhirubhai Parmar

) Manish

~~Smt. Damyanti Dhirubhai Parmar~~

) Dnyanti

Shri Dilip Purshottamdas, Zaveri

The Withinnamed "Vendors")

In The Presence Of

Gandhi

Dr. Parvati
C.A.

SCHEDULE I (SHARE HOLDING)

DIST. NOS.

PAYMENT PARTICULARS

NO.	TRANSFEROR	NOS.	FROM	TO	AMOUNT	TRANSFeree	CHEQUE	BANK
1	Dhirubhai C. Parmar	3100			310,000	Manish S. Jain	151657	Bank of India (Gulabwadi)
2	Dilip P. Zaveri	100			10,000	Manish S. Jain	151660	- do -
3	Manish D. Parmar	300			30,000	Manish S. Jain	151659	- do -
4	Derrvyanti D. Parmar	1100			110,000	Manish S. Jain	160223 151656	- do -
5	Bina M. Parmar	100			10,000	Manish S. Jain	196601	- do -
6	Kiran Rajesh Mistry	100			10,000	Manish S. Jain	196602	- do -
7	Bharet Dharmaresh Joshi	100			10,000	Manish S. Jain	196603	- do -
8	Tajal Harish Makwana	100			10,000	Manish S. Jain	196604	- do -
9	Application Money	5000			500,000	Sushila S. Jain Shantilal C. Jain	160272	- do -
10	Application Money	2000 12000			200,000 1,200,000	Manoj S. Jain	826556	Bank of India (C.P. Tank)

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BY *(Signature)*

BY *(Signature)*

SCHEDULE II
DHRUV ELECTRICALS LIMITED.
LIST OF DOCUMENTS TO BE HANDED OVER

- 1 ALL LICENCES
- 2 PERMANENT ACCOUNT NUMBER (PAN) CARD
- 3 INCOME TAX PAPERS INCLUDING RETURNS, ASSESSMENT ORDERS
- 4 SALES TAX PAPERS INCLUDING RETURNS, ASSESSMENT ORDERS
- 5 SUBSIDY PAPERS
- 6 COMPANY LAW RECORDS-MINUTES, ANNUAL RETURN, ETC.
- 7 EXCISE RECORDS
- 8 DEFERMENT PAPERS
- 9 OTHER DIC PAPERS
- 10 POWER APPROVAL & ELECTRICITY BILLS
- 11 LAND REVENUE RECORDS
- 12 PANCHAYAT PAPERS
- 13 SHARE CERTIFICATES
- 14 BANK PAPERS
- 15 FIXED ASSETS REGISTER
- 16 BOOKS OF ACCOUNT
- 17 ANY OTHER RELEVANT PAPERS.

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EXHIBIT B

DHRUV ELECTRICALS LIMITED.

BALANCE SHEET UPON ON TAKE OVER

<u>LIABILITIES</u>		<u>ASSETS</u>	
CAPITAL	500,000	LAND	266,300
CAPITAL SUBSIDY	301,000	BUILDING	710,349
		PLANT & MACHINERY	63,473
ADDITIONAL FUNDS BROUGHT BY THE PURCHASERS	700,000	MOULDS	12,427
		FURNITURE & FITTINGS	2,651
		ELECTRICAL INSTALLATIONS	60,200
		BSES DEPOSIT	23,420
		PRELIMINARY EXPENSES	4,200
		PROFIT & LOSS ACCOUNT	328,361
		CASH(BAL. FIG.)	29,619
	<u>1,501,000</u>		<u>1,501,000</u>

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