**AGREEMENT FOR SALE OF EQUITY SHARES IN A PUBLIC COMPANY**

**THIS AGREEMENT** made the……….day of……….20 ……….among XY a company registered under the laws of America, and having its principal place of business at ......................................... USA, hereinafter called "the Seller", (which expression shall, unless repugnant to the meaning or context thereof, be deemed to include its successors and assigns) of the FIRST PART, AB & Co. Investments Limited, a Company incorporated under the Companies Act, 1956, and having its registered office at .................... India, hereinafter called AB & Co. (which expression shall unless repugnant to the meaning or context thereof be deemed to include its successors and assigns) of the SECOND PART, and M & N Co. Ltd. a Company, incorporated under the Companies Act, 1956, and having its registered office at ………., India, hereinafter called "M & N Co." (which expression shall unless repugnant to the meaning or context thereof, be deemed to include its successors and assigns). A B & Co. and M & N Co. are hereinafter together referred to as "the Buyer".

**WHEREAS**

A. By an Agreement dated ……….(the "Agreement") among the seller of the first part, M & N Co. of the second part, A B & Co of the third part and R K & Co. a Company incorporated under the Companies Act, 1956, and having its registered office at No . ................. ………. (hereinafter called "R.K. & Co." of the fourth part, the parties thereto agreed on and set forth the terms and, conditions of their respective investments in the share capital of R K & Co.; and

B. The seller is the beneficial owner of equity shares ("the Shares") of Rs. 10 each of RX & Co. aggregating to Rs . .............allotted on and with distinctive numbers to (held vide Share Certificate No . ………......); and

C. Pursuant to clause ……….……….of the agreement, by its letter dated ……….……….…and dated ……….addressed to A B & Co. and M N & Co. the seller gave notice to them of its intention to sell the shares held by the seller in R K & Co. at the price and on the terms and conditions therein specified; and

D. Subsequent to the notice dated……….the parties have by free negotiations and mutual consent agreed upon the price and the terms and conditions of the sale of the shares which they wish to record in this Agreement

WHEREBY IT IS AGREED AMONG THE PARTIES AS FOLLOWS:

(1)The seller hereby withdraws and cancels its notice addressed to the buyers dated……….A B & Co. withdraws and cancels, its letter to the seller dated……….and M N & Co. withdraws and cancels its letter to the seller dated ……….to the intent that such withdrawal and cancellation shall have effect during the validity of this agreement. The parties declare that this agreement has been arrived at by mutual consent, and by free and open negotiations between the parties.

(2)The seller agrees to sell and the buyers agree to buy the shares together with the seller's rights pursuant to the Letter of Offer of Rights shares ("the Rights Shares") issued, or proposed to be issued by R K & Co. to all its members including the seller, offering one new share for every two shares held by every member at a premium of Rs ………. per share

(3)The mutually agreed price for the sale of the shares of the seller in R K & Co. shall be Rs……….(Rupees……….only) per share. This price will neither increase nor decrease for any reason whatsoever during the validity of this agreement.

(4) The seller agrees to sign one or more transfer deeds relating to the shares, and, if the sale is completed after the Record Date for the Rights Issue by R K & Co. to renounce its entitlement to the Rights Shares, without any further consideration, no charge or premium for the renounced shares in favour of A B & Co. and/or M N & Co. and such other person or persons as may be designated in writing by the buyers in the manner following:

 No. of Equity No. of Rights

 Shares Shares

A B & Co. and its Nominees \_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_

M N & Co. \_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_

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(5) The seller agrees to be responsible for and to pay all applicable capital gains and other Indian taxes on the capital gains, if any, realised by the Seller on the sale of the shares. The buyers agree to co-operate with the seller in obtaining a speedy order of the income-tax authorities on the amount of the withholding to be effected on the sale value of the shares and the rights shares.

(6) The buyers agree to comply with clauses 40A and 40B of the Listing Agreement between R K & Co. and the Stock Exchange in so far as they may be applicable to the buyers ortothe persons designated by them to buy the shares.

(7) The sale is subject to the approval of the Reserve Bank of India, ("the RBI"), and to such conditions as the RBI may impose. If the RBI stipulates or approves of a price less than Rs………. per share, as a condition of its permission to sell the shares, the seller shali be at liberty to withdraw from and to cancel this Agreement for Sale (without being in any way liable to the Buyers), by notice in writing addressed to the Buyers to be sent to them by fascimile not later than fifteen days from the receipt by the seller of the decision of the RBI concerning the reduction in the price of the shares. On the delivery by the seller to the other parties of such notice, the parties shall be entitled to exercise their legal rights, including those exercisable by them under the Investment Agreement, as if this Agreement had not been entered into

(8) Subject to all applicable approvals of the RBI, or of the Income­ tax authorities, the sale shall be completed, and the remittance in foreign exchange to the seller of the net sale proceeds shall be effected by the buyers or the person or persons designated by them, not later than 15 working days after the receipt of the last of the applicable approval or approvals of the RBI or of the income-tax or other authorities, (the "Closing Date") time being of the essence of this contract. Provided that if valid and acceptable approvals of the RBI and of the income-tax and other authorities for the sale of the shares, as contemplated by this Agreement, shall not have been received by the seller, at the latest by………. the seller shall have the option, by notice in writing addressed to the buyers by fascimile to be delivered not later than to rescind and cancel this Agreement, (without being in any way liable to the Buyers) and in that event on delivery of such notice the parties shall, unless otherwise agreed in writing, be relieved and discharged from the respective obligations herein stated, and shall be entitled to exercise their legal Rights, including those under the Agreement, as if this Agreement had not been entered into

(9) On the closing date, the seller shall cause Mr. R.K. Gupta, a Director of R K & Co. and Mr. G G Sg's, alternate Director on the Board of Directors of R K & Co., to submit to the Chairman of the Board of Directors of R K & Co. their signed letters of resignation as Director and alternate Director respectively.

(10) No brokerage or commission shall be payable by the seller to of brokerage any person for bringing about this transaction

(11) The seller and the buyers agree to sign and deliver such further documents or letters as may be required or necessary to effectuate the orderly and speedy conclusion of the sale of the shares, and the remittance of the net sale proceeds to the seller.

(12) The buyers shall bear and pay the stamp duty and other transfer charges relating to the sale of the shares. Each party will bear and pay its own legal costs of the sale

**IN WITNESS WHEREOF** the parties hereto have caused this

Agreement to be signed as of the day and year hereinabove written.

**WITNESSES** Signed and delivered by R.K. Gupta as the

1 . constituted attorney of the withinnamed X Y

2. Signed and delivered by A.B. Chairman of the withinnamed A B & Co. Limited

Signed and delivered by M.N. Chairman & Managing Director of the withinnamed M.N. & Co. Ltd.