**AGREEMENT FOR UNDERWRITING SHARES, WITH A RIGHT TO UNDERWRITER TO ARRANGE SUB‑UNDERWRITING**

THIS AGREEMENT made at…………….on this…………….day of..........20………between XY Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at ........................(hereinafter called as "the company", which expression shall unless it be repugnant to the context or meaning, mean and include its successors and assigns) of the ONE PART AND AB Co. Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at…………….(hereinafter called as "the underwriters", which expression shall unless it be repugnant to the context or meaning, mean and include its successors and assigns) of the OTHER PART.

WHEREAS

(1)The company proposes to offer for public subscription an issue of…………….shares of Rs……… each in accordance with the draft prospectus, a copy of which is annexed hereto,

(2) The company wants to get the said issue underwritten and the shares of Rs …………….each for cash at par aggregating to Rs …………….(Rupees…………….only) out of the total of Rs …………….face value of equity shares.

(3) The company has agreed to appoint the underwriters for underwriting the shares.

NOW IT IS HEREBY AGREED BETWEEN THE PARTIES AS FOLLOWS:

(1) The underwriters will underwrite…………….equity shares of Rs …………….face value out of the total…………….equity shares of Rs …………….face value, to be offered for public subscription.

(2) The subscription list for the public issue shall open not later than three months from the date of these presents or such extended period as the underwriter may agree to in writing. The subscription list shall be kept open by the company for a maximum period of 10 calendar days, failing which the underwriters shall not be bound to discharge the underwriting obligations under this agreement.

(3) The company shall cause the prospectus to be delivered for registration to the Registrar of Companies…………….not later than the day of…………….20…………….and to be publicly advertised in the press on the .........day of…………….20…………….

The company shall supply adequate copies of the prospectus and application forms to the underwriters, brokers and members of the public who intend to apply for the equity shares.

(4) The underwriters will be entitled to arrange sub underwriting of their commitment on their own account on terms and conditions to be agreed at their discretion with their sub underwriters.

(5) If the equity shares offered to the public are not subscribed by the closing date of subscription list or such earlier date as may be agreed to by the underwriters, the company shall notify the underwriters in writing as to the number of equity shares which have not been so subscribed. The underwriters shall apply for and subscribe such unsubscribed number of equity shares within……… days of the receipt of such intimation and pay for the application money in respect of such equity shares.

(6) The company shall determine the number of equity shares to be taken up by the underwriters as follows:­

(i)After scrutiny of all the applications received by the company, the total shortfall shall be allocated among all underwriters who have underwritten the issue and who have not fulfilled their commitment in proportion to the amount underwritten by each of them.

(ii)The applications made before the closing of the list of subscription by the underwriters and on application forms bearing the stamp of the underwriters, shall be taken into account in pro tanto reduction of the liability of the underwriters.

(iii) The underwriters shall not be liable to take up equity shares more than the amount underwritten by them.

(7) The company shall allot the equity shares for which applications been received as soon as possible and dispatch the share certificates to the applicants within three months of such allotment.

(8) The company shall pay to the underwriters, commission at the rate of …………….% on the face value of the amount underwritten by the underwriters within…………….days after the date of allotment of shares. But should any allotment of the shares be made to the underwriters in accordance with the terms of this agreement, the said commission shall not be payable until the application and allotment moneys payable in respect of all the shares so allotted to the underwriters shall have been paid in full.

(9) Notwithstanding anything stated above, the underwriters may exercise the option of terminating the underwriting arrangement, at any time prior to the date fixed for publication of the announcement, in the event of complete break‑down or dislocation of business in the financial markets of the metropolitan cities due to war, civil commotion, insurrection or any other serious disturbance and on exercising such option, they shall be released from all obligations arising out of the underwriting arrangement.

IN WITNESS WHEREOF the parties have put their respective hands the day and year first hereinabove written.

WITNESSES Signed and delivered by XY Ltd., the within named

1 company, through its Managing Director, Shri …………….

2. Signed and delivered by AB Ltd., the within named underwriters, through its General Manager, Shri…………….