

SHAREHOLDERS' AGREEMENT

DATED FEBRUARY 11, 2025

AMONGST

PRAVALAH HOSPITALITY PRIVATE LIMITED

AND

SCHLOSS BANGALORE LIMITED

AND

BUILDMINDS REAL ESTATE PRIVATE LIMITED

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SHAREHOLDERS' AGREEMENT

THIS SHAREHOLDERS' AGREEMENT ("Agreement") is entered into on February 11, 2025 ("Execution Date") in New Delhi:

BY AND AMONGST:

- A. **SCHLOSS BANGALORE LIMITED**, a public limited company incorporated under the laws of India, and having its registered office at The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar, South Delhi, New Delhi, Delhi – 110023 (hereinafter referred to as "**Schloss**", which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to mean and include its successors and permitted assigns) of the **FIRST PART**;
- B. **PRAVALAH HOSPITALITY PRIVATE LIMITED**, a private limited company incorporated under the laws of India, and having its registered office at 701, NIBR Corporate Park, Kurla Andheri Road, Kurla West, Mumbai, Maharashtra – 400072 (hereinafter referred to as "**PHPL**", which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **SECOND PART**; and

AND

- C. **BUILDMINDS REAL ESTATE PRIVATE LIMITED**, a private limited company incorporated under the laws of India, and having its registered office at 701 Unit, 7th Floor, 1 Aerocity Building, NIBR Compound, Mohili Village, Sakinaka, Mumbai, Maharashtra – 400072 (hereinafter referred to as the "**Company**", which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **THIRD PART**.

Schloss, PHPL and the Company are herein collectively referred to as "**Parties**" and individually referred to as "**Party**".

WHEREAS:

- A. The Company is engaged in the Business (*as defined hereinafter*).
- B. Simultaneously with the execution of this Agreement, the Parties have entered into a Share Subscription Agreement (*as defined hereinafter*) pursuant to which: (i) Schloss has agreed to subscribe to 31,667 (thirty one thousand six hundred and sixty seven) Equity Shares (*as defined hereinafter*) and 2,99,68,333 (two crore ninety nine lakhs sixty eight thousand three hundred and thirty three) Series B CCPS (*as defined hereinafter*) in accordance with the terms and conditions set out therein.
- C. The shareholding pattern of the Company immediately prior to the Execution Date is set out at **Part A of Schedule 1**. The shareholding pattern of the Company as of the Effective Date (*as defined hereinafter*) is set out at **Part B of Schedule 1**.
- D. The Parties are now entering into this Agreement to record their respective, *inter se*, rights and obligations in respect of their investment into the Company and for the purpose of regulating the management and affairs of the Company.

NOW, THEREFORE, in consideration of the mutual agreements, covenants, representations and warranties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties hereby agree as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 In this Agreement, unless the context requires otherwise, (i) the following words and expressions shall have the following meaning; (ii) capitalised terms defined by inclusion in quotations and/or

parenthesis shall have the meaning so ascribed; and (iii) if not defined elsewhere in this Agreement, capitalised terms shall have the meaning ascribed to them in the Share Subscription Agreement;

"Additional Entitlement Notice" has the meaning ascribed to the term in Clause 13.3 (*Pre-Emptive Rights*);

"Additional Independent Valuer" has the meaning ascribed to the term in Clause 12.5 (*PHPL Put Option*);

"Additional Shares" has the meaning ascribed to the term in Clause 13.3 (*Pre-Emptive Rights*);

"Additional Valuers Determined Value" has the meaning ascribed to the term in Clause 12.5 (*PHPL Put Option*);

"Adjourned Board Meeting" has the meaning ascribed to the term in Clause 3.7(iv)(a) (*Quorum*);

"Affiliates" means (i) with respect to any Person other than a natural person, any other Person that directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such Person, and (ii) in the case of a natural person, any Relative of such person, and any entity Controlled, directly or indirectly by such natural person or by any Relative of such natural person or under common Control with such natural person and Relative of such natural person;

"Affirmative Vote Items" has the meaning ascribed to the term in Clause 5.2 (*Decision on Affirmative Vote Items*);

"Agreement" means this Shareholders' Agreement and all Schedules hereto and all mutually agreed written amendments hereto, from time to time;

"Alternate Director" has the meaning ascribed to the term in Clause 3.4(i)(a) (*Alternate Directors and Additional Directors*);

"Amended Articles" means the amended and restated Articles of the Company in a form acceptable to the Shareholders reflecting, *inter alia*, the terms of this Agreement;

"Anti-Corruption Laws" means all applicable anti-bribery and anti-corruption laws or regulations, including but not limited to the Indian Prevention of Corruption Act of 1988, the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act of 2010, as amended, and the Canada's Corruption of Public Officials Act, as amended from time to time;

"Anti-Corruption Policy" means the anti-corruption policy adopted by the Board, as amended from time to time;

"Anti-Money Laundering Laws" means all applicable anti-money laundering Laws, including but not limited to the Indian Prevention of Money Laundering Act 2002, as amended, the applicable financial recordkeeping and reporting requirements of the U.S. Currency and Foreign Transaction Reporting Act of 1970, the U.S. Money Laundering Control Act of 1986, as amended, and any related or similar Applicable Law issued, administered or enforced by any Governmental Authority;

"Applicable Law" or "Applicable Laws" or "Laws" means any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, by-law, Approvals from any Governmental Authorities, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question;

"Approval Period" has the meaning ascribed to the term in Clause 6.1 (*Construction and Management*

of the Hotel;

"Approvals" means any permission, approval, consent, waiver, grant, license, order, decree, authorization, or registration, notice, declaration or filing with or notification, exemption or ruling to or from any Governmental Authority or any other Person;

"Arbitral Tribunal" has the meaning ascribed to the term in Clause 23.3 (*Dispute Resolution*);

"Articles" means the Articles of Association of the Company, as may be amended from time to time;

"Asset Sale" has the meaning ascribed to the term in Clause 11.2(vii) (*Drag Along Right*);

"Authorized Representatives" has the meaning ascribed to the term in Clause 14.2 (*Access Rights*);

"Board" means the board of directors of the Company, as constituted from time to time, in accordance with this Agreement, the Articles and the Act;

"Business" means the construction, development, operation and management of the Hotel, and activities and services ancillary thereto;

"Business Day" means a day (excluding Saturdays and Sundays) on which banks generally are open in Mumbai and Dubai for the transaction of normal banking business;

"Call Option" has the meaning ascribed to the term in Clause 16.1(iii)(a) (*Default Call Option*);

"Call Option Exercise Notice" has the meaning ascribed to the term in Clause 16.1(iii)(b) (*Default Call Option*);

"Call Option Price" has the meaning ascribed to the term in Clause 16.1(iii)(a) (*Default Call Option*);

"Call Option Shares" has the meaning ascribed to the term in Clause 16.1(iii)(a) (*Default Call Option*);

"Companies Act" or "Act" means the Companies Act, 2013 and the rules, circulars and notifications thereunder, as may be amended, modified, supplemented or re-enacted from time to time;

"Competitor" means PHPL Competitor and/or Schloss Competitor, as the context may require;

"Confidential Information" has the meaning ascribed to the term in Clause 20.1 (*Announcements and Confidentiality*);

"Construction Commencement Date" has the meaning ascribed to the term in Clause 6.3(iii) (*Construction of the Hotel*);

"Construction Contract" has the meaning ascribed to the term in Clause 6.3 (*Construction of the Hotel*);

"Construction Contractor" has the meaning ascribed to the term in Clause 6.3 (*Construction of the Hotel*);

"Control" (including with correlative meaning, the terms, **Controlling, Controlled by and under common Control with**), with respect to a Person, means the acquisition or control of more than 50% (fifty percent) of the voting rights or of the issued share capital of such Person or the right to appoint or remove the majority of the members of the board of directors or other governing body of such Person, or the power to direct or cause the direction of the management, or to manage and

exercise significant influence on the management or policies of such Person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, through contract or otherwise;

"Cure Period" has the meaning ascribed to the term in Clause 15.2 (*Default Notice*);

"Deadlock" has the meaning ascribed to the term in Clause 5.3(i) (*Deadlock Resolution*);

"Deadlock Resolution Period" has the meaning ascribed to the term in Clause 5.3(ii) (*Deadlock Resolution*);

"Debt" has the meaning ascribed to the term in Clause 9.4(i) (*Stapling of Securities*);

"Deed of Adherence" means a deed of adherence to this Agreement substantially in the form set out in Schedule 3;

"Default Notice" has the meaning ascribed to the term in Clause 15.2 (*Events of Default*);

"Defaulting Party" has the meaning ascribed to the term in Clause 15.1 (*Events of Default*);

"Determined Value" has the meaning ascribed to the term in Schedule 4;

"Director" means a director on the Board of the Company, from time to time;

"Dispute" has the meaning ascribed to the term in Clause 23.1 (*Dispute Resolution*);

"Drag Along Notice" has the meaning ascribed to the term in Clause 11.2(ii) (*Drag Along Right*);

"Drag Along Right" has the meaning ascribed to the term in Clause 11.2(i) (*Drag Along Right*);

"Drag Along Shares" has the meaning ascribed to the term in Clause 11.2(i) (*Drag Along Right*);

"Drag Price" has the meaning ascribed to the term in Clause 11.2(ii) (*Drag Along Right*);

"Drag Sale" has the meaning ascribed to the term in Clause 11.2(iii) (*Drag Along Right*);

"Drag Sale Purchaser" has the meaning ascribed to the term in Clause 11.2(i) (*Drag Along Right*);

"Drag Shares" has the meaning ascribed to the term in Clause 11.2(i) (*Drag Along Right*);

"Effective Date" means the 'Completion Date' as defined under the Share Subscription Agreement;

"Encumbrance" means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms is not the granting of security, but which has an economic or financial effect similar to the granting of security under applicable Law, (ii) any, power of attorney, voting trust agreement, interest, option, right of first offer, refusal or Transfer restriction in favour of any Person, (iii) any adverse claim as to title, possession or use, conditional sale agreement, co-sale agreement, trust (other title exception of whatsoever nature), and (iv) other encumbrance of any kind or a contract to give or refrain from giving any of the foregoing and the term **"Encumber"** shall be construed accordingly;

"EoD Effective Date" has the meaning ascribed to the term in Clause 15.2 (*Events of Default*);

"Equity Commitment" has the meaning ascribed to the term in Clause 7.1 (*Equity Commitment*);

"Equity Commitment Call Option Notice" has the meaning ascribed to the term in Clause 7.3(i) (*Equity Commitment*);

"Equity Shares" means the equity shares of face value INR 1 (Indian Rupee One only) each in the Share Capital;

"Event of Default" has the meaning ascribed to the term in Clause 15.1 (*Events of Default*);

"Execution Date" has the meaning ascribed to the term in the Preamble;

"Exercising Shareholder" has the meaning ascribed to the term in Clause 13.3 (*Pre-emptive Rights*);

"External Debt" has the meaning ascribed to the term in Clause 8.1(ii) (*Funding Requirements of the Company*);

"Final Determined Value" has the meaning ascribed to the term in Clause 12.4 (*PIIPL Put Option*);

"Financial Year" means the fiscal year beginning on April 1 of each year and ending on March 31 of the immediately succeeding year;

"Fully Diluted Basis" means that the relevant calculation is to be made assuming that all securities are converted (or exchanged or exercised) into equity shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), including stock options (whether employee stock options or otherwise), warrants and any other outstanding commitments to issue equity shares at a future date, whether or not due to the occurrence of an event or otherwise;

"Funding Shareholder" has the meaning ascribed to the term in Clause 8.1(ii)(c) (*Funding Requirements of the Company*);

"GFC Drawings" has the meaning ascribed to the term in the Share Subscription Agreement;

"Government Official" means: (a) an officer, employee, agent or any person acting in an official capacity for or on behalf of any branch of a Governmental Authority (e.g., legislative, executive, judicial, law, military or public institutions, including hospitals and universities) at any level (e.g., local, county, provincial or central) or any departments, agencies, instrumentalities, quasi- or partially government owned or controlled entities, or recently privatised government entities; (b) directors, officers and employees of wholly or partially state-owned, state controlled or state-operated enterprises; (c) an officer, agent, employee or other persons working in an official capacity on behalf of any international organization (e.g., World Bank, United Nations, Japan Bank for International Cooperation or International Monetary Fund); or (d) an officer, agent or employee of a political party or any party official, or a candidate for governmental or political office;

"Governmental Authority" means any nation or government, any state or other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of any nation or any political subdivision thereof; any court, tribunal or arbitrator; and any self-regulatory organization; and includes the Securities and Exchange Board of India, recognised stock exchanges or quotation systems, and the Reserve Bank of India in each case, having jurisdiction over the matter in question;

"HOABL" means House of Abhinandan Lodha Private Limited, a private company incorporated under the laws of India, having its registered office at 701 Unit, 7th Floor, 1 Aerocity Building, NIBR Compound, Mohili Village, Sakinaka, Mumbai, Maharashtra - 400072;

"HOABL Group" means HOABL and its Affiliates;

"HOABL Shareholders" means the shareholders of HOABL as notified by PHPL to Schloss in writing on the Execution Date;

"Hotel" means the five-star luxury hotel to be constructed on the Hotel Land, with 100 (one hundred) rooms which shall not serve non-vegetarian food or alcohol;

"Hotel Land" has the meaning ascribed to the term in the Share Subscription Agreement;

"Hotel Management Agreement" means the hotel management agreement of even date entered into between Schloss HMA Private Limited and the Company as set out in the Share Subscription Agreement;

"Improper Payment" means any bribe, improper rebate, payoff, influence payment, kickback or any other item of value provided with the intent to obtain or secure an undue business advantage;

"Independent Valuer" means any Indian network audit firm of any of the following: (i) Ernst & Young; (ii) PricewaterhouseCoopers; (iii) KPMG India; (iv) Deloitte Touche Tohmatsu India LLP; (v) BDO; and (vi) Grant Thornton India; provided that a firm acting as a statutory auditor of a Party shall not be appointed as an Independent Valuer;

"Initial Determined Value" has the meaning ascribed to the term in Clause 12.3 (*PHPL Put Option*);

"INR" means Indian Rupees, the lawful currency of the Republic of India;

"Insider Trading" means the buying, selling, or dealing in securities of Schloss (proposed to be listed on the recognized stock exchanges of India), directly or indirectly, based on Unpublished Price Sensitive Information obtained through the Company or otherwise by virtue of its engagement with the Company, or passing on or tipping such UPSI to others, or otherwise misusing such information in violation of applicable laws, including but not limited to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and amendments thereto;

"Insolvency Event" means, with respect to a Person, any of the following events:

- (i) such Person is unable to pay its debts when due, owed to a financial creditor;
- (ii) such Person voluntarily files or institutes a petition or proceeding seeking a judgment of insolvency or an order for winding up or any other relief under any bankruptcy or insolvency laws or other laws affecting creditor rights;
- (iii) such Person enters a composition or compromise, in relation to its financial indebtedness with any creditor;
- (iv) an application for insolvency, liquidation, winding-up or dissolution is filed against such Person, and such application is not vacated within a period of 90 (ninety) days from date of filing of such application; and/or
- (v) any Person: (a) obtains a judgment or order from a court of competent jurisdiction against such Person for appointment of a resolution professional, liquidator, receiver or other similar officer over such party or substantially all its assets, which judgment or order is not vacated within a period of 60 (sixty) days; or (b) obtains a judgment of insolvency or a winding up order against such Person from a court of competent jurisdiction.

"Interim Budget" means the interim budget of the Company to be determined in the manner set out in the Share Subscription Agreement, which shall be effective during the Interim Budget Period;

"Interim Budget Period" has the meaning ascribed to the term in the Share Subscription Agreement;

"Issuance Notice" has the meaning ascribed to the term in Clause 13.2 (*Pre-Emptive Rights*);

"Issuance Price" has the meaning ascribed to the term in Clause 13.2 (*Pre-Emptive Rights*);

"Issuance Shares" has the meaning ascribed to the term in Clause 13.2 (*Pre-Emptive Rights*);

"Lock-In Period" means 3 (three) years from the date of issuance of the notice by the Board to the Construction Contractor for commencement of construction of the Hotel as set out in Clause 6.3(iii) of this Agreement;

"Lowest Proportion Shareholder" has the meaning ascribed to the term in Clause 8.1(iii)(f) (*Funding Requirements of the Company*);

"Minimum Hotel FAR" means permissible floor space index / floor area ratio of 2.5 equivalent to at least 56,450 square meters available for utilisation for construction on the Hotel Land;

"Non-Funding Shareholder" has the meaning ascribed to the term in Clause 8.1(iii)(e) (*Funding Requirements of the Company*);

"Offer Terms" has the meaning ascribed to the term in Clause 13.2 (*Pre-Emptive Rights*);

"Operator" means Schloss HMA Private Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Block No. 94, Sathyadev Extension Avenue, M.R.C. Nagar, R.A. Puram, Chennai, Tamil Nadu, India, 600028;

"Original Director" has the meaning ascribed to the term in Clause 3.4(i) (*Alternate Directors and Additional Directors*);

"Owner" has the meaning ascribed to the term in Clause 20.1 (*Announcements and Confidentiality*);

"Party" or **"Parties"** has the meaning ascribed to the term in the Preamble;

"Permitted Affiliate" means the PHPL Permitted Affiliate or the Schloss Permitted Affiliate, as the case may be;

"Person" means any individual, sole proprietorship, unincorporated association, unincorporated organization, firm, body corporate, corporation, company, partnership, unlimited or limited liability company, joint venture, Governmental Authority, business trust or trust or any other entity or organization;

"PHPL Competitor" means the list of competitors agreed to between Schloss and PHPL in writing;

"PHPL Dilution Event" means a PHPL First Dilution Event or a PHPL Subsequent Dilution Event, as the case may be;

"PHPL Permitted Affiliate" means:

- (i) the HOABL Shareholders; and
- (ii) entities, where (a) 76% (seventy six percent) of the legal and beneficial ownership, is directly or indirectly held by HOABL Shareholders; and (b) HOABL Shareholders have, jointly or severally, (A) the right to appoint or remove the majority of the members of the board of directors or other governing body of such entity; and (B) the right or power to direct,

whether directly or indirectly, the policy decisions, operations and management of such entities.

"PHPL Put Option" has the meaning ascribed to the term in Clause 12.1 (*PHPL Put Option*);

"PHPL Put Option Date" has the meaning ascribed to the term in Clause 12.1 (*PHPL Put Option*);

"Pre-emptive Right" has the meaning ascribed to the term in Clause 13.1 (*Pre-emptive Rights*);

"Pre-IPO Event" means any issuance of shares by a company after such company files a draft red herring prospectus with the Securities and Exchange Board of India which shall result in listing of securities of the company on a recognized stock exchange in India within 6 (six) months of such issuance of shares;

"Price Determination Date" has the meaning ascribed to the term in Clause 12.6 (*PHPL Put Option*);

"Prohibited Transferee" means (i) Sanctioned Persons; and (ii) if the transferor is PHPL, the Schloss Competitors, and if the transferor is Schloss, the PHPL Competitors;

"Proposed Closing Date" has the meaning ascribed to the term in Clause 13.4 (*Pre-Emptive Rights*);

"Put Option Consideration" has the meaning ascribed to the term in Clause 12.7 (*PHPL Put Option*);

"Put Option" has the meaning ascribed to the term in Clause 16.1(iv) (*Default Put Option*);

"Put Option Exercise Notice" has the meaning ascribed to the term in Clause 16.1(iv)(b) (*Default Put Option*);

"Put Option Notice" has the meaning ascribed to the term in Clause 12.2 (*PHPL Put Option*);

"Put Option Price" has the meaning ascribed to the term in Clause 16.1(iv)(a) (*Default Put Option*);

"Put Option Shares" has the meaning ascribed to the term in Clause 16.1(iv)(a) (*Default Put Option*);

"Recipient" has the meaning ascribed to the term in Clause 20.1 (*Announcements and Confidentiality*);

"Related Party" has the meaning ascribed to the term under Section 2 (76) of the Companies Act;

"Relative" has the meaning ascribed to the term under Section 2 (77) of the Companies Act;

"ROFO Acceptance Notice" has the meaning ascribed to the term in Clause 10.2(iii) (*Right of First Offer*);

"ROFO Completion Period" has the meaning ascribed to the term in Clause 10.2(iv) (*Right of First Offer*);

"ROFO Exercise Notice" has the meaning ascribed to the term in Clause 10.2(ii) (*Right of First Offer*);

"ROFO Holder" has the meaning ascribed to the term in Clause 10.1 (*Right of First Offer*);

"ROFO Notice" has the meaning ascribed to the term in Clause 10.2(i) (*Right of First Offer*);

"ROFO Period" has the meaning ascribed to the term in Clause 10.2(ii) (*Right of First Offer*);

"ROFO Price" has the meaning ascribed to the term in Clause 10.2(ii) (*Right of First Offer*);

"ROFO Shares" has the meaning ascribed to the term in Clause 10.1 (*Right of First Offer*);

"ROFR" has the meaning ascribed to the term in Clause 9.3(iii)(a) (*Right of First Refusal*);

"ROFR Acceptance Notice" has the meaning ascribed to the term in Clause 9.3(iii)(c) (*Right of First Refusal*);

"ROFR Completion Period" has the meaning ascribed to the term in Clause 9.3(iii)(c) (*Right of First Refusal*);

"ROFR Notice" has the meaning ascribed to the term in Clause 9.3(iii)(b) (*Right of First Refusal*);

"ROFR Period" has the meaning ascribed to the term in Clause 9.3(iii)(c) (*Right of First Refusal*);

"ROFR Price" has the meaning ascribed to the term in Clause 9.3(iii)(b) (*Right of First Refusal*);

"ROFR Securities" has the meaning ascribed to the term in Clause 9.3(iii)(a) (*Right of First Refusal*);

"Sanctioned Country" means any country or region that is the subject or target of a comprehensive embargo under Sanctions Laws;

"Sanctioned Person" means any individual or entity that is the subject or target of sanctions, prohibitions or restrictions under Sanctions Laws, including: (a) any individual or entity listed on any applicable U.S. or non-U.S. sanctions-related restricted party list, including without limitation, OFAC's Specially Designated Nationals and Blocked Persons List and the EU consolidated list of persons, groups and entities subject to EU financial sanctions; (b) any entity that is, in the aggregate, 50% (fifty per cent) or greater owned, directly or indirectly, or otherwise controlled by a person or persons described in clause (a); or (c) any national of a Sanctioned Country;

"Sanctions Laws" means all laws including the U.S. and non-U.S. Laws relating to economic or trade sanctions, including, without limitation, the laws administered or enforced by the UK, the U.S. (including the Office of Foreign Assets Control ("OFAC") of the U.S. Department of Treasury, or the U.S. Department of State), the United Nations Security Council, and the European Union;

"Schloss Competitor" means any Person (or its Affiliates) materially engaged, directly or indirectly, in the operating (in its capacity as hotel operator), branding, management, franchising or license, of hotels, resorts, serviced apartments, branded condominiums (other than convention centres), timeshares or serviced residences and temporary accommodations (other than student hostels and student accommodation);

"Schloss Locked-In Shares" has the meaning ascribed to the term in Clause 9.3(i)(a) (*Transfer Restrictions*);

"Schloss Nominee Directors" has the meaning ascribed to the term in Clause 3.2(i)(a) (*Composition of the Board*);

"Schloss Permitted Affiliate" means, Brookfield Owned Entities and / or Brookfield Funds, provided that, entities where (a) 76% (seventy six percent) of the legal and beneficial ownership is, directly or indirectly, held by Schloss; and (b) Schloss has (A) the right or power to direct, whether directly or indirectly, the policy decisions, operations and management of such entities, and (B) the right to appoint or remove the majority of the members of the board of directors of such entities, shall also be deemed to be Schloss Permitted Affiliates. For the purposes hereof:

(i) **"Brookfield Owned Entities"** means entities where 76% (seventy six percent) of the legal

and beneficial ownership is, directly or indirectly, held by: (a) any Brookfield Funds; and/or (b) by Brookfield Asset Management Limited and/or Brookfield Corporation; and for each of (a) and (b), where Brookfield Asset Management Limited and/or Brookfield Corporation, directly or indirectly, has the right or power to direct the policy decisions, operations and management of such entities; and

- (ii) **"Brookfield Funds"** means any fund, collective investment scheme, trust, partnership, special purpose or other vehicle or other entity: (a) directly or indirectly, managed or advised (pursuant to an investment advisory agreement, by whatever name called) as general partner or manager by whatever name called, by Brookfield Asset Management Limited and/or Brookfield Corporation; and (b) where Brookfield Asset Management Limited and/or Brookfield Corporation, directly or indirectly, has the right or power to direct the policy decisions or management of such entities.

"Schloss Put Option" has the meaning ascribed to the term in Clause 6.2 (i) (*Schloss Put Option*);

"Schloss Put Option Consideration" has the meaning ascribed to the term in Clause 6.2 (ii) (*Schloss Put Option*);

"Schloss Put Option Exercise Notice" has the meaning ascribed to the term in Clause 6.2 (i) (*Schloss Put Option*);

"Schloss Securities" has the meaning ascribed to the term in Clause 6.2(i) (*Schloss Put Option*);

"Securities" means (i) any and all classes of equity shares of the Company; (ii) preference shares or any rights, options, warrants or instruments which are convertible into or entitle the holder to acquire or receive any equity shares of the Company; and (iii) any options to purchase or rights to subscribe to securities by their terms convertible into or exchangeable for equity shares of the Company.

"Selling Shareholder" has the meaning ascribed to the term in Clause 10.1 (*Right of First Offer*);

"Series A CCPS" means the fully and compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each, the terms and conditions of which are set forth in the Share Subscription Agreement;

"Series B CCPS" means the fully and compulsorily convertible preference shares of face value INR 1 (Indian Rupee One only) each, the terms and conditions of which are set forth in the Share Subscription Agreement;

"Share Capital" means the entire issued and allotted share capital, called up share capital and paid-up share capital of the Company;

"Share Subscription Agreement" means the Share Subscription Agreement dated February 11, 2025 and executed between the Parties;

"Shareholder" means any Person who / which is registered in the register of members of the Company as a holder (either by itself or through its nominees) of the Equity Shares (or any other Securities of the Company);

"Shareholder Debt" has the meaning ascribed to the term in Clause 8.1(iii)(a) (*Funding Requirements of the Company*);

"Shareholder Group" has the meaning ascribed to the term in Clause 9.2(i) (*Transfers to Permitted Affiliates*);

"Shareholder Group Lead Member" has the meaning ascribed to the term in Clause 9.2(ii)

(Transfers to Permitted Affiliates);

"Shareholder Loan Commitment" has the meaning ascribed to the term in Clause 8.1(iii)(f) *(Funding Requirements of the Company);*

"Shareholder Loan Proportion" has the meaning ascribed to the term in Clause 8.1(iii)(b) *(Funding Requirements of the Company);*

"Shareholder Loans Infusion Notice" has the meaning ascribed to the term in Clause 8.1(iii)(c) *(Funding Requirements of the Company);*

"Shareholder Loans Request Notice" has the meaning ascribed to the term in Clause 8.1(iii)(b) *(Funding Requirements of the Company);*

"Shareholder Mop Up Portion" has the meaning ascribed to the term in Clause 8.1(iii)(c) *(Funding Requirements of the Company);*

"Shareholders' Meeting" means any general meeting of the Shareholders, including an annual general meeting and an extraordinary general meeting;

"SIAC Rules" has the meaning ascribed to the term under Clause 23.3 *(Dispute Resolution);*

"Tag Acceptance Shares" has the meaning ascribed to the term in Clause 11.1(ii) *(Tag Along Right);*

"Tag Along Right" has the meaning ascribed to the term in Clause 11.1(ii) *(Tag Along Right);*

"Tag Along Shares" has the meaning ascribed to the term in Clause 11.1(ii) *(Tag Along Right);*

"Tag Notice" has the meaning ascribed to the term in Clause 11.1(i) *(Tag Along Right);*

"Tag Offer Period" has the meaning ascribed to the term in Clause 11.1(ii) *(Tag Along Right);*

"Tag Offer Price" has the meaning ascribed to the term in Clause 11.1(i) *(Tag Along Right);*

"Tag Offered Shares" has the meaning ascribed to the term in Clause 11.1(i) *(Tag Along Right);*

"Tag Response Notice" has the meaning ascribed to the term in Clause 11.1(ii) *(Tag Along Right);*

"Tax" or "Taxes" means and includes:

- (i) all forms of tax (direct and indirect), levy, duty (including stamp duties), charge, impost, withholding or other amount, whenever or wherever created or imposed by, or payable to any Tax Authority in India or other jurisdictions whether payable on own account or in a representative capacity, including in relation to income, profits, gains, net wealth, asset values, turnover, expenditure, capital gains, withholding, employment, payroll, fringe benefits and franchise taxes (including include surcharge and cess); and
- (ii) all charges, interest, penalties and fines incidental or relating to any Tax falling within (i) above or which arise as a result of the failure to pay any Tax on the due date or to comply with any obligation relating to Tax;

"Tax Authority" means any taxing or other authority competent to impose, administer or collect any Tax, including the Income Tax Department of India;

"Technical Services Agreement" means the technical services agreement to be entered into between Schloss HMA Private Limited and the Company in the manner set out in the Share

Subscription Agreement;

"Territory" means an area within 12.5 kilometres radius of the Hotel Land;

"Third Party Part Transferee" has the meaning ascribed to the term in Clause 9.3(i)(b) (*Transfers Restriction*);

"Third Party Purchaser" has the meaning ascribed to the term in Clause 10.2(vi) (*Right of First Offer*);

"Third Party Subscriber" has the meaning ascribed to the term in Clause 13.5 (*Pre-Emptive Rights*);

"Third Party Terms" has the meaning ascribed to the term in Clause 9.3(iii)(b) (*Right of First Refusal*);

"Third Party Transferee" has the meaning ascribed to the term in Clause 9.3(iii)(a) (*Right of First Refusal*);

"Third Party Transaction Period" has the meaning ascribed to the term in Clause 9.3(iii)(c) (*Right of First Refusal*);

"Transaction Documents" means this Agreement, the Share Subscription Agreement, the Disclosure Letter (as defined in the Share Subscription Agreement), the Hotel Management Agreement, the Technical Services Agreement, and such other documents as may be designated as such by the Parties;

"Transfer" (including the terms **"Transferred"**, **"Transferring"** and **"Transferability"**) means, whether directly or indirectly, any transfer, sale, assignment, pledge, hypothecation, creation of security interest in or lien or encumbrance on, placing in trust (voting or otherwise), or conferring any interest, exchange, entering into any arrangement in respect of votes or the right to receive dividends or any swap or other arrangement that transfers to another Person in whole or in part the consequences of ownership, gift or transfer by operation of law or in any other way, whether or not voluntarily;

"Unpublished Price Sensitive Information" or **"UPSI"** means any information concerning Schloss, its subsidiaries and Affiliates, the Company, or their respective businesses that: (i) has not been made available to the public; and (ii) could reasonably be expected to impact an investor's decision to buy, sell, or hold securities of Schloss. The examples of such UPSI include but are not limited to financial results, mergers or acquisitions, significant contracts, pending litigation, or regulatory approvals;

"Unfunded Shareholder Loan" has the meaning ascribed to the term in Clause 8.1(iii)(c) (*Funding Requirements of the Company*); and

"Unpurchased Shares" has the meaning ascribed to the term in Clause 13.3 (*Pre-Emptive Rights*).

1.2 INTERPRETATION

In this Agreement, unless the context requires otherwise:

- (i) references to a provision, clause or schedule are to a provision, clause or schedule of this Agreement and references to this Agreement include its schedules, which are part of this Agreement, and references to a part or paragraph include references to a part or paragraph of a schedule or annexure to this Agreement;
- (ii) references to this Agreement and any other document or to any specified provision of this

Agreement and any other document are to that document or that provision as in force for the time being and as amended from time to time in accordance with the terms of this Agreement and that document or, as the case may be, with the agreement of the relevant parties;

- (iii) reference in this Agreement to a certain number of days means calendar days unless otherwise specified to be Business Days;
- (iv) words importing the singular include the plural and *vice versa*, and words importing a gender include every gender;
- (v) the table of contents and the headings to clauses, schedules, annexures, parts and paragraphs are inserted for convenience only and shall be ignored in interpreting this Agreement;
- (vi) the words and phrases "other", "including" and "in particular" shall not limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible, and the words "include" and "including" shall be deemed to include the expression "without limitation";
- (vii) a reference to any statute or statutory provision shall mean a reference to such statute or statutory provision as amended from time to time and includes any subordinate legislation, rules, regulations made under it and any provision which it has re-enacted (with or without modification), and any provision superseding it or re-enacting it (with or without modification from time to time);
- (viii) "in writing" includes any communication made by letter or e-mail; and
- (ix) where any obligation under this Agreement ("**Subject Obligation**") requires an Approval of any Governmental Authority in order for the Subject Obligation to be performed validly, then the Subject Obligation shall be deemed to include the obligation to apply for, obtain, maintain and comply with the terms and conditions of, all such Approval.

2. EFFECTIVE DATE

Save and except for the provisions set out in Clause 2 (*Effective Date*), Clause 17.1 (*Representations and Warranties*), Clause 19 (*Termination*) (to the extent applicable), Clause 22 (*Notices*), Clause 23 (*Dispute Resolution*), Clause 24 (*Governing Law and Jurisdiction*), Clause 25 (*Miscellaneous*) (other than Clause 25.7 (*Assignment*)), and Clause 25.12 (*Conflict with the Articles*)) and Clause 1 (*Definitions and Interpretation*) (to the extent applicable to the foregoing clauses) of this Agreement, which shall come into effect on and from the Execution Date, this Agreement shall come into effect on the Effective Date and shall continue to remain valid and subsisting unless terminated in the manner stated in Clause 19 (*Termination*).

3. CORPORATE GOVERNANCE

3.1 Governance

Subject to the provisions of this Agreement and the Companies Act, the Board shall be responsible for the overall management, supervision and direction of the Company. Subject to Clause 5.2 (*Decision on Affirmative Vote Items*), the Board shall be entitled to delegate powers to such Persons and such committees that the Board may create to assist it in its business strategy and objectives.

3.2 Composition of the Board

- (i) Subject to compliance with Applicable Law and Clause 18 (*Fall Away of Rights*), on and from the Effective Date, the Board shall initially be comprised of 3 (three) directors of which:

- (a) PHPL shall have the right to nominate 1 (one) Director ("**PHPL Nominee Director**"); and
- (b) Schloss shall have the right to nominate 2 (two) Directors ("**Schloss Nominee Directors**").

It being clarified that the Directors nominated by Schloss shall always constitute a majority on the Board.

(ii) Independent Directors

- (a) In the event the Company is required to appoint any independent Directors to the Board in accordance with the requirements under Applicable Law: (A) the size of the Board shall stand increased to: (x) accommodate such independent Directors; and (y) Schloss shall have the right to nominate such additional number of Directors on the Board such that the Directors nominated by Schloss shall always constitute a majority on the Board; and (B) the Board shall have the right to appoint such number of independent Director(s) as required under Applicable Law.
- (b) The Parties shall ensure that the Board forthwith approves the appointment of such Person(s) as independent Director(s) of the Company and convenes a General Meeting of the Company, to approve the appointment of such Person(s) as independent Director(s), in a manner required under Applicable Law. The Parties agree to vote in favour of such appointment at such General Meeting, to give effect to such appointment.

3.3 Chairman of the Board

One of the Schloss Nominee Directors, as notified by Schloss in writing, shall be appointed as the chairman of meetings of the Board and Shareholders' Meetings of the Company. The meetings of the Board and the Shareholders of the Company shall be chaired by the chairman. The chairman shall not have a casting vote.

3.4 Alternate Directors and Additional Directors

- (i) The Board shall, if requested by Schloss or PHPL (so long as it has right to nominate a director on the Board), appoint an alternate director ("**Alternate Director**") to a director nominated by them ("**Original Director**"), during the absence of the Original Director, in accordance with and as permitted under the Applicable Law.
- (ii) The Alternate Director shall act for and in place of the Original Director and shall be entitled to exercise all rights available to the Original Director in the Company, in accordance with the Companies Act and this Agreement.
- (iii) The Alternate Director shall be entitled to receive notice of a meeting of the Board, along with all relevant papers in connection therewith in terms of this Clause, to attend and vote thereat in place of the Original Director, and generally to perform all functions of the Original Director during his/her absence.
- (iv) An Alternate Director shall not hold office for a period longer than that applicable to the Original Director in whose place such Alternate Director has been appointed and shall vacate office if and when the Original Director becomes available.

3.5 Resignation and Replacement of Directors

- (i) Each Shareholder shall be entitled to remove or replace any Director nominated by it, including any Alternate Directors nominated by it, by notice to the Company. Any vacancy

occurring with respect to the position of any Schloss Nominee Directors or PHPL Nominee Director, by reason of death, disqualification, resignation, removal or the inability to act, shall be filled only by another nominee specified by Schloss or PHPL, whichever had made the initial appointment. All Shareholders shall exercise their respective rights in such manner so as to cause the appointment of such Shareholder's representative nominated or appointed or removed, as aforesaid.

- (ii) Subject to Applicable Laws and Clause 18 (*Half-Away of Rights*) below, the Directors shall be permanent, whose office shall not be capable of being vacated by rotation. In the event that any Director retires by rotation in accordance with the provisions of the Act, the Parties shall ensure and perform all acts including the exercise of the voting rights as may be necessary to ensure that such Director is reappointed to the Board immediately following any such Directors' retirement.
- (iii) Notwithstanding the aforesaid, the Shareholder who nominated a Director of the Company agrees to remove such Director from his/her office if such Director:
 - (a) has committed any serious or repeated breach of his/her fiduciary duties to the Company;
 - (b) is guilty of any default, misconduct or wilful neglect in the discharge of his/her duties which adversely affects the business of the Company and/or the reputation of any of the Parties;
 - (c) is convicted of any criminal offence;
 - (d) is found to be of unsound mind by a court of competent jurisdiction; or
 - (e) suffers disqualification in accordance with the provision of the Companies Act.
- (iv) If either Shareholder removes a Director in accordance with its rights to do so under this Agreement and the Articles, it shall be responsible for and indemnify the other Shareholder and the Company against any and all claims by such Director for unfair or wrongful dismissal or other compensation arising out of such removal and against any losses, costs or expenses suffered or reasonably incurred as a result thereof by the other Shareholder and/or the Company.

3.6 Director Access: All Directors and their representatives shall be entitled to examine the books, accounts and statutory records of the Company with reasonable prior written notice to the Company.

3.7 Board Meetings and Quorum

- (i) Meetings of the Board shall be held in accordance with the Companies Act.
- (ii) Frequency and Location: The Board shall meet not less than once every calendar quarter at any location as approved by the Schloss Nominee Directors and not more than 120 (one hundred and twenty) days shall have elapsed between any 2 (two) Board meetings.
- (iii) Notice:

At least 7 (seven) days' written notice shall be given to each of the Directors (or their respective Alternate Directors) in respect of each meeting of the Board, at the address notified from time to time to the Company. Notice may be waived, or a meeting may be called by giving a shorter notice with the consent of Schloss Nominee Director, or for the matters concerning Affirmative Vote Items, Schloss Nominee Director and PHPL Nominee Director, unless the prior written consent of Schloss or a Schloss Nominee Director and

PHPL or the PHPL Nominee Director has been provided in respect of such Affirmative Vote Item, prior to such Board meeting. The notice shall be accompanied by the agenda, and supporting documents pertaining to the business proposed to be transacted thereat. Once a notice has been served, the agenda for the meeting of the Board shall not be altered or expanded without the prior written consent of Schloss Nominee Director or for matters concerning the Affirmative Vote Items, Schloss Nominee Director and PHPL Nominee Director.

(iv) Quorum:

- (a) The quorum for any meeting of the Board shall be in accordance with the Companies Act, provided that: (A) the presence of at least 1 (one) Schloss Nominee Director shall be present to constitute quorum; and (B) at any meeting of the Board where a decision on an Affirmative Vote Item is proposed to be taken, the presence of the PHPL Nominee Director shall also be required to constitute quorum unless the prior written consent of PHPL or the PHPL Nominee Director has been provided in respect of such Affirmative Vote Item, prior to such Board meeting.
- (b) If quorum is not present within 1 (one) hour from the time appointed for a meeting or ceases to be present at any time during the meeting, the meeting shall stand adjourned to the same place and time 2 (two) days after the original date set for such meeting or such other date as may be determined by the Board ("**Adjourned Board Meeting**"). At such Adjourned Board Meeting, the presence of such minimum number of Directors required to constitute a valid meeting of the Board under Applicable Law shall be required to constitute quorum, provided however that at least 1 (one) Schloss Nominee Director shall be present to constitute quorum, and no decision on an Affirmative Vote Item shall be taken without the presence of the: (A) PHPL Nominee Director unless the prior written consent of PHPL or the PHPL Nominee Director has been provided in respect of such Affirmative Vote Item, prior to such Board meeting; and (B) 1 (one) Schloss Nominee Director, unless the prior written consent of Schloss or 1 (one) Schloss Nominee Director has been provided in respect of such Affirmative Vote Item, prior to such Board meeting.
- (c) Without prejudice to the above, each of Schloss or PHPL shall have a right to waive the requirement of the presence of the Schloss Nominee Directors or the PHPL Nominee Director, respectively, to form part of the quorum for a particular Board meeting, in writing, prior to such Board meeting; it being clarified that such waiver shall only be applicable with respect to the particular Board meeting in respect of which the waiver is provided, and shall under no circumstances be deemed to be a waiver of such Director's right to form part of the quorum for Board meetings *in toto*.
- (d) It is clarified that any participation in meetings of the Board by video conferencing or any other audio-visual means of contemporaneous communication, permitted under Applicable Laws, shall be counted towards quorum.
- (v) Voting: At any Board meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall, subject to Clause 5.2 (*Decision on Affirmative Vote Items*), require a majority vote of the Directors present (physically or through any other means permissible by Applicable Law) and voting at a duly constituted meeting of the Board. It is clarified that any approval by Schloss or PHPL (or their respective nominee Directors) in respect of any Affirmative Vote Item shall apply only in relation to that Affirmative Vote Item and shall apply in the context specified in the relevant notice and shall not constitute, or deemed to constitute, in any manner, a general consent for any other Affirmative Vote Item or a consent of the same Affirmative Vote Item, in any other context.

- (vi) Electronic Participation: The Directors may participate and vote in Board meetings by telephone or video conferencing or any other means of contemporaneous communication, in the manner permitted under Applicable Laws from time to time.
- (vii) Resolution by Circulation: Subject to Clause 5.2 (*Decision on Affirmative Vote Items*) and the provisions of the Companies Act, a written resolution circulated to all the Directors or members of committees of the Board, whether in India or overseas and signed by a majority of them as approved in accordance with this Agreement, shall be as valid and effective as a resolution duly passed at a meeting of the Board, called and held in accordance with this Agreement and the Articles (provided that such written resolution has been circulated in draft form, together with the agenda, an explanatory statement setting out in reasonable details the rationale for proposing the resolution, information and appropriate documents required to reach a decision, to all the Directors at least 7 (seven) Business Days in advance, unless the Schloss Nominee Director or for matters concerning the Affirmative Vote Items, Schloss Nominee Director and PHPL Nominee Director have given their written approval for having a shorter notice period for such circulation).

3.8 Qualification Shares: The Directors shall not be required to hold any qualification shares.

3.9 Liability and Indemnity of the Schloss Nominee Directors and the PHPL Nominee Directors

- (i) The Parties expressly agree and undertake that the Schloss Nominee Directors and the PHPL Nominee Director (and/or their respective Alternate Directors, as the case may be) shall have the same rights, obligations, duties and functions, shall be non-executive Directors and shall not be deemed to be or considered or identified as the “responsible officer”, the “authorised officer”, the “officer in charge”, “officer in default” or “an employer of the employees” for the purposes of various statutory and regulatory compliances and Applicable Law, including any compliances under real estate laws, labour laws, environmental laws and the Companies Act, and shall accordingly not be liable for any default or failure of the Company in complying with the provisions of any Applicable Law.
- (ii) The Company shall appoint on its payroll, a company secretary who shall be responsible to the Company, and in charge of ensuring compliance with the Companies Act and who shall be designated as the “officer in default” for the purposes of the Companies Act.

3.10 Indemnification:

On and from the Effective Date, the Articles shall provide for indemnification of the Directors, to the maximum extent permitted under Applicable Law and subject to directors’ and officers’ liability insurance policies. Each Director shall be indemnified, out of the assets of the Company, to the maximum extent permitted under Applicable Law and subject to directors’ and officers’ liability insurance policies, against any losses incurred, suffered or borne by such Director in his/her capacity as a Director or on account of him/her being a Director on and from the Effective Date. Any right to indemnification conferred in this Clause shall commence on and from the Effective Date and apply with respect to matters on and from the Effective Date and shall include a right to be paid or reimbursed by the Company for any and all reasonable expenses as they are incurred by a Director entitled or authorised to be indemnified under this Clause who was, or is threatened, to be made a named defendant or respondent in an action, suit or proceeding in advance of the final disposition of the action, suit or proceeding and without any determination as to such Director’s ultimate entitlement to indemnification; provided however, if the Director is ultimately held to be guilty of fraud or wilful misconduct, then such Director shall be obligated to pay back to the Company any reimbursements received from the Company to defend such action, suit or proceeding.

4. SHAREHOLDERS' MEETINGS AND SHAREHOLDER OBLIGATIONS

4.1 General Meetings: An annual general meeting of the Shareholders shall be held as per the provisions of the Companies Act. Subject to the foregoing, the Board, on its own whenever it may deem appropriate, or at the request of any of the Shareholders, may convene an extraordinary general meeting of the Shareholders. The annual general meeting and the extra-ordinary general meetings are hereinafter collectively referred to as "**General Meetings**" or "**Shareholders' Meetings**".

4.2 Notice: A minimum of 21 (twenty-one) days' prior written notice shall be given to all the Shareholders of any Shareholders' Meeting. Subject to Applicable Law, notice may be waived, or a meeting may be called by giving a shorter notice with the consent of Schloss or for matters concerning Affirmative Vote Items, Schloss and PI IPL, unless the prior written consent of Schloss and PI IPL has been provided in respect of such Affirmative Vote Item, prior to such Shareholders' Meeting. The notice shall be accompanied by a detailed agenda, necessary background and all other related information and/or supporting documents pertaining to the business proposed to be transacted thereat. Once a notice has been served, the agenda for the meeting of the Shareholders shall not be altered or expanded without the prior written consent of Schloss, and for the matters concerning Affirmative Vote Items, Schloss and PI IPL.

4.3 Quorum:

- (i) The quorum for General Meetings shall be in accordance with the Companies Act, provided that (a) at least 1 (one) representative of Schloss shall be present to constitute quorum in General Meetings; and at any General Meeting where a decision on an Affirmative Vote Item is proposed to be taken, the presence of 1 (one) representative of PI IPL shall also be required to constitute quorum unless the prior written consent of PI IPL has been provided in respect of such Affirmative Vote Item, prior to such General Meeting.
- (ii) If a quorum is not present within 1 (one) hour from the time appointed for holding a meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other date and such other time and place as the Board may determine (each of the Shareholders being deemed to have consented to short notice thereof). If quorum is not present within 1 (one) hour from the time appointed for the adjourned meeting, then subject to the Companies Act, the Shareholders present (in person or by proxy) or duly authorised representatives of the Shareholders present will form the quorum for such adjourned meeting provided that at least 1 (one) representative of Schloss shall be present to constitute quorum; and no decision on an Affirmative Vote Item shall be taken without the presence of: (a) representative of PI IPL unless the prior written consent of PI IPL has been provided in respect of such Affirmative Vote Item, prior to such General Meeting, and (b) representative of Schloss unless the prior written consent of Schloss has been provided in respect of such Affirmative Vote Item, prior to such General Meeting.

4.4 Voting:

- (i) Subject to Clause 5.2 (*Decision on Affirmative Vote Items*), all decisions required to be made at a Shareholders' Meeting shall, unless otherwise required by Applicable Law, be decided by an ordinary resolution of the Shareholders present at the Shareholders' Meeting. A Shareholder may be present at and may vote at any Shareholders' Meeting in person, by proxy or attorney or by a duly authorised representative, and any such proxy, attorney or representative shall be counted for the purposes of constituting a quorum. Voting on all matters to be considered at a Shareholders' Meeting shall be by way of a poll, unless otherwise agreed upon in writing by Schloss and PI IPL.
- (ii) All Shareholders shall vote, including at a General Meeting, in respect of the Securities held by each of them, in such a manner that the votes exercisable by any Shareholder is equivalent to the Relevant Percentage of such Shareholder. For the purposes of this clause, the

“Relevant Percentage” in respect of a Shareholder shall be the percentage of equity shares of the Company held by such Shareholder.

- 4.5 Electronic Participation: The Shareholders may participate and vote in a Shareholders’ meeting by telephone or video conference or any other means of contemporaneous communication, subject to Applicable Laws.

5. AFFIRMATIVE VOTE ITEMS AND DEADLOCK

- 5.1 PHPL and Schloss shall ensure that they, their representatives and proxies representing them at meetings of the Board or Shareholders of the Company shall, at all times, exercise their votes, and otherwise act in such manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of this Agreement.

- 5.2 Decision on Affirmative Vote Items: Notwithstanding anything to the contrary contained in this Agreement but subject to Clause 18 (*Fall Away of Rights*), neither the Company nor any other Shareholder or Director shall, without the affirmative consent of Schloss and PHPL (or their respective nominee Directors on the Board) obtained either: (i) at a meeting of the Board/committees of the Board or by circulation, as the case may be; (ii) at a Shareholders’ Meeting; or (iii) in writing from the authorised signatory of such Shareholder, as the case may be, take any of the actions set forth in **Schedule 2 (the “Affirmative Vote Items”)**. It is clarified that if no decision is communicated or negative decision is communicated in relation to any Affirmative Vote Matter, the Board and/or the Shareholders shall not discuss or put to vote any such matter, item or agenda in any meeting of the Board and/or the Shareholders (including any adjourned meeting) and such matter shall be deemed to be rejected, and the provisions of Clause 5.3 (*Deadlock Resolution*) shall be applicable.

5.3 Deadlock Resolution:

- (i) For the purposes of this Agreement, “**Deadlock**” means the failure to pass any resolution or take a decision in relation to any Affirmative Vote Items, including where required to be passed or resolved by the Board or the Shareholders (whether in a meeting or otherwise).
- (ii) On the occurrence of a Deadlock, a senior officer of PHPL and Schloss shall meet and attempt, in good faith, to resolve the Deadlock or difference between them within 30 (thirty) days from the occurrence of the Deadlock (“**Deadlock Resolution Period**”).
- (iii) In the event the Parties fail to resolve the Deadlock between them within the Deadlock Resolution Period, the Parties agree that *status quo* shall be maintained in relation to the matter pertaining to the Deadlock, till a decision in relation to such Affirmative Vote Items is taken in accordance with the terms of this Agreement.

6. CONSTRUCTION AND MANAGEMENT OF THE HOTEL

- 6.1 PHPL undertakes that, it shall cause the Company to comply with, and shall be responsible for compliance by the Company with the following, within a period of 9 (nine) months from the submission by the Company of the GFC Drawings to the Construction Contractor (“**Approval Period**”):

- (i) the Company shall have applied for and obtained the relevant Consents (other than Consents required pursuant to applicable environmental laws) from all concerned Governmental Authorities (including the planning authorities) permitting commencement of construction of the Hotel on the Hotel Land as per the GFC Drawings and permitting utilisation of at least the Minimum Hotel FAR on the Hotel Land for the purposes of construction of the Hotel; and

- (ii) the Company shall have applied for and obtained the building plans in respect of the Hotel Land approved by the Ayodhya Development Authority, Ayodhya (the "ADA") wherein it permits construction, development, and operation of a five-star luxury hotel thereon. The plan for the Hotel Land shall be put up by the Company as a separate layout excluding the balance portion of Gata Nos. of which it forms part so that upon the layout plan for Hotel Land being approved by the ADA, the Hotel Land shall stand notionally sub-divided from the balance portion of Gata Nos. of which it forms part.

6.2 Schloss Put Option

- (i) In the event that the obligations set out under Clause 6.1 are not fulfilled prior to the expiry of the Approval Period, then Schloss shall have the right, exercisable by serving a written notice ("**Schloss Put Option Exercise Notice**") to PHPL within a period of 12 (twelve) months from the date of expiry of the Approval Period, to require PHPL to purchase (by itself and/or through its Permitted Affiliates or nominees), subject to Applicable Law, all of its Securities ("**Schloss Securities**"), for the Schloss Put Option Consideration (*defined hereinafter*), in the manner set out in this Agreement ("**Schloss Put Option**").
- (ii) The "**Schloss Put Option Consideration**" shall be an amount equal to the Total Investment Amount (*as defined in the Share Subscription Agreement*) in relation to the Schloss Securities.
- (iii) The closing of the purchase of the Schloss Securities shall take place on a date to be mutually agreed between Schloss and PHPL, but in any event on or prior to the date that is 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from the Governmental Authorities) after the date of issuance of the Schloss Put Option Exercise Notice. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the Schloss Securities shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
- (iv) PHPL (and/or its Permitted Affiliates or nominees, as the case may be) shall pay the Schloss Put Option Consideration to Schloss, and Schloss shall be bound to absolutely and irrevocably transfer the Schloss Securities to PHPL (and/or its Permitted Affiliates or nominees, as the case may be), free and clear of any Encumbrance (other than any Encumbrance created in accordance with the terms of this Agreement), and all actions as may be necessary to give effect to such transfer shall be duly completed.
- (v) The Board shall record the transfer of the Schloss Securities from Schloss to PHPL (and/or its Permitted Affiliates or nominees, as the case may be) and complete all corporate actions as applicable.
- (vi) Schloss shall provide customary representations, warranties and indemnities to PHPL (and/or its Permitted Affiliates or nominees) in relation to: (a) its title to the Schloss Securities; (b) the Schloss Securities being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (c) Income Tax (in relation to the Schloss Securities); and (d) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer.
- (vii) For the avoidance of doubt, if the Schloss Put Option is exercised in terms hereof, then PHPL shall purchase (by itself and/or through its Permitted Affiliates or nominees), the Series B CCPS (and there shall be no conversion of the Series B CCPS prior to such transfer).

6.3 Construction of the Hotel

- (i) The Company shall, within 3 (three) months from the Effective Date appoint a construction contractor, which shall be an entity mutually agreed between PHPL and Schloss, provided that in the event that PHPL and Schloss are unable to mutually agree on the construction contractor within the aforesaid timeline, then within 3 (three) months thereof, the Board shall appoint a construction contractor, at its sole discretion ("**Construction Contractor**"). The terms and conditions of the contract between the Company and the Construction Contractor shall be mutually agreed between the Construction Contractor and the Company ("**Construction Contract**").
- (ii) In the event that the Construction Contract is terminated for any reason whatsoever, then the Board shall, at its sole discretion, be entitled to appoint any other construction contractor for the purposes of the construction of the Hotel, provided that if the Construction Contract is terminated on account of a default in payment of Construction Contractor's fees by the Company solely on account of breach of Clause 7.1 (*Equity Commitment*) by Schloss, then the subsequent construction contractor to be appointed by the Company for the purposes of the construction of the Hotel shall be mutually agreed between PHPL and Schloss. It is clarified that this right shall not be permitted to be assigned or transferred by PHPL or PHPL Permitted Affiliates to any Person.
- (iii) Notwithstanding anything to the contrary contained herein, the Board shall determine, at its sole discretion, the date on which the construction of the Hotel shall commence, at any time after receipt of the approvals required under Applicable Law to commence construction of the Hotel on the Hotel Land ("**Construction Commencement Date**"). The Board shall thereafter notify the Construction Contractor of such Construction Commencement Date.
- (iv) Without prejudice to the provisions of Clause 6.1 above, in the event at any time any restriction is imposed by any Governmental Authority on the usage of the Hotel Land for the purposes of construction and operation of a five-star luxury hotel thereon, PHPL shall, on a best efforts basis, on behalf of the Company, take all steps as may be necessary for permitting such aforementioned usage / resuming construction and operation of a five-star luxury hotel on the Hotel Land, at the cost of the Company.

6.4 Management of the Hotel

The Company shall enter into the Hotel Management Agreement and Technical Services Agreement and such other documents as may be required, with the Operator for branding, operations and management of the Hotel, pursuant to which: (i) the Hotel shall be branded as a 'Leela' hotel for an initial term of 30 (thirty) years, as more particularly set out therein; and (ii) the Operator will have full decision-making authority and control over the operations, management and maintenance of the Hotel, subject to and in accordance with the terms and conditions of the Hotel Management Agreement and Technical Services Agreement.

7. **EQUITY COMMITMENT**

- 7.1 Schloss shall infuse necessary funds in the Company, for the purposes set out below, in one or more tranches, by subscribing to additional Series B CCPS, either by itself or through its Permitted Affiliates, provided that the total amount required to be funded by Schloss shall not exceed an aggregate of INR 195,81,24,373 (Indian Rupees one hundred and ninety five crore eighty one lakhs twenty four thousand three hundred and seventy three only) ("**Equity Commitment**):

- (i) funds required by the Company to meet its operating expenses (including employee costs), as determined by the Board, at its sole discretion;

- (ii) during the Interim Budget Period, funds required by the Company for the construction of the Hotel on the Hotel Land, in accordance with the Interim Budget; and
- (iii) upon execution of the Construction Contract as contemplated in Clause 6.3(i), such amounts as are due and payable by the Company in accordance with the terms of the Construction Contract.

It is clarified that Schloss shall not be obligated to infuse the Equity Commitment (or any part thereof) in the event of occurrence of any of the following: (a) any restriction imposed under Applicable Law or by a Governmental Authority on the ability of Schloss to infuse the Equity Commitment (or any part thereof) in the manner contemplated herein; or (b) the order of any court, tribunal, or arbitrator which imposes any restrictions on the infusion the Equity Commitment (or any part thereof) in the manner contemplated herein; or (c) in the event that the Company is not required to make a payment to the Construction Contractor as per the terms of the Construction Contract. Provided that:

- (A) the exemptions set out in sub-clauses (a) and (b) above shall not be available in the event that the restrictions contemplated therein are on account of a breach of any Applicable Law by Schloss; and
- (B) upon occurrence of any events mentioned in sub-clauses (a) or (b) above, the Parties shall, in good faith, mutually discuss the way forward.

7.2 If any part of the Equity Commitment is proposed to be infused by a Schloss Permitted Affiliate, information regarding its name and relationship with Schloss shall be provided to the other Parties in advance and such Permitted Affiliate shall execute a Deed of Adherence and be bound by the provisions of this Agreement.

7.3 In the event that Schloss is not required to fund the entire amount of the Equity Commitment for the construction of the Hotel, then upon earlier of: (a) 6 (six) months from the commencement of operations of the Hotel; and (b) provision of a confirmation by the Construction Contractor to the Company of all amounts payable by the Company under the Construction Contract, Schloss shall have the right (itself and/or through its Permitted Affiliates) but not the obligation to require PHPL to transfer, subject to Applicable Law, such number of Securities held by PHPL to Schloss or its Permitted Affiliates as would result in Schloss (together with its Permitted Affiliates) holding 76% (seventy six percent) of the Securities of the Company on a Fully Diluted Basis ("**PHPL Transfer Shares**"), at the Determined Value determined by an Independent Valuer appointed by Schloss, which shall be final and binding on the Parties, provided that such Determined Value shall not be less than the equity value per Security of the Company at the Effective Date ("**PHPL Transfer Shares Price**"), in accordance with the following:

- (i) Schloss shall be entitled to exercise its Call Option by serving a written notice ("**Equity Commitment Call Option Notice**") on PHPL.
- (ii) The closing of the purchase of the PHPL Transfer Shares shall take place on a date to be mutually agreed between the Parties, but in any event on or prior to the date that is 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) after the receipt of the Equity Commitment Call Option Notice by PHPL. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the PHPL Transfer Shares shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
- (iii) Schloss (and/or its Permitted Affiliates) shall pay the PHPL Transfer Shares Price to PHPL, and PHPL shall be bound to absolutely and irrevocably transfer the PHPL Transfer Shares to Schloss (and/or its Permitted Affiliates, as the case may be), free and clear of any

Encumbrance (other than any Encumbrance created in accordance with the terms of this Agreement), and undertake all actions as may be necessary to give effect to such transfer.

- (iv) The Board shall record the transfer of the PHPL Transfer Shares from PHPL to Schloss (and/or its Permitted Affiliates, as the case may be) and complete all corporate actions as applicable.
- (v) PHPL shall provide customary representations, warranties and indemnities to Schloss (and/or its Permitted Affiliates, as the case may be) in relation to (a) its title to the PHPL Transfer Shares; (b) the PHPL Transfer Shares being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (c) Income Tax (in relation to the PHPL Transfer Shares); and (d) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer.

8. FUNDING REQUIREMENTS OF THE COMPANY

8.1 Funding requirements of the Company shall be met through the following options, in the order of priority listed below:

- (i) By infusion of an amount not exceeding the Equity Commitment by Schloss for the construction of the Hotel, in one or more tranches, in the manner set out in Clause 7.1 (*Equity Commitment*) above.
- (ii) All funding requirements other than (i) above, by availing debt financing from reputed banks and other financial institutions and other third-parties, as determined by the Board, at its sole discretion ("**External Debt**"), provided that the execution of documents and undertaking of obligations in connection with such External Debt by a Shareholder shall be at the discretion of such Shareholder.
- (iii) Shareholder Loans
 - (a) In the event that the Company is unable to obtain adequate External Debt to meet any future financial requirements, the Company shall have the right to procure debt funding from the Shareholders, including through the issuance of non-convertible debentures, as determined by the Board, at its sole discretion ("**Shareholder Debt**"), *pro-rata* their shareholding in the Company, on a Fully Diluted Basis, on the same terms and conditions, in the manner and subject to the terms set out below, provided that no Shareholder shall be under any obligation to provide or procure any further finance to the Company except as set out in this Clause 8.1(iii) (*Shareholder Loans*).
 - (b) The Company shall issue a notice in writing ("**Shareholder Loans Request Notice**") to all the Shareholders informing them about the quantum of Shareholder Debt sought to be availed by the Company ("**Shareholder Loans**"), from each Shareholder proportionate to its shareholding in the Company on a Fully Diluted Basis (the portion of Shareholder Loans sought to be availed by the Company from each Shareholder as per the Shareholder Loans Request Notice is hereinafter referred to as "**Shareholder Loan Proportion**" in relation to such Shareholder).
 - (c) Each Shareholder shall, within a period of 45 (forty five) Business Days from the receipt of the Shareholder Loans Request Notice, notify the Company in writing ("**Shareholder Loans Infusion Notice**") as to whether or not it agrees to infuse, the whole or a part of its Shareholder Loan Proportion. If a Shareholder does not issue the Shareholder Loans Infusion Notice within the aforesaid timelines, such Shareholder

shall be deemed to have communicated its decision to not infuse its Shareholder Loan Proportion.

- (d) In the event that all the Shareholders issue Shareholder Loans Infusion Notices notifying the Company that they agree to infuse their respective Shareholder Loan Proportion to the Company, the Shareholders shall infuse their respective Shareholder Loan Proportion to the Company, and such Shareholder Loan shall be on an arms' length basis.
- (e) In the event that a Shareholder communicates its decision to not infuse all or part of its Shareholder Loan Proportion to the Company in accordance with the foregoing (such Shareholder being the "**Non-Funding Shareholder**" and the Shareholder Loan Proportion which is not agreed to be infused by the Non-Funding Shareholder being the "**Unfunded Shareholder Loan**"), and the other Shareholder communicates its decision to infuse its Shareholder Loan Proportion in full in accordance with the foregoing (such Shareholder being the "**Funding Shareholder**"), then:
 - (x) in the event that the Non-Funding Shareholder's decision is to not infuse its entire Shareholder Loan Proportion, then the Funding Shareholder shall: (A) be required to infuse its respective Shareholder Loan Proportion; and (B) have the right (but not the obligation) to infuse the Unfunded Shareholder Loan or any part thereof ("**Shareholder Mop Up Portion**"), provided that the Funding Shareholder shall be entitled to undertake the funding of its Shareholder Loan Proportion and such Shareholder Mop Up Portion (if any) in the form of Shareholder Debt (which shall carry an interest rate of 18% (eighteen percent) per annum) or by subscription to equity shares of the Company, at its discretion, and the provisions of Clause 5.2 (*Affirmative Vote Items*) and Clause 13 (*Pre-Emptive Rights*) shall not apply to any Shareholder Debt availed from the Funding Shareholder or issuance of Securities to the Funding Shareholder pursuant to this Clause;
 - (y) in the event that the Non-Funding Shareholder has communicated its decision to infuse only a part of its Shareholder Loan Proportion (but not its respective Shareholder Loan Proportion in full), then: (A) the Non-Funding Shareholder shall be required to infuse such part of its Shareholder Loan Proportion to the Company as communicated in the Shareholder Loans Infusion Notice issued by it and the Funding Shareholder shall be required to infuse such part of its respective Shareholder Loan Proportion to the Company as is proportionate to the Shareholder Loan Commitment agreed to be infused by the Non-Funding Shareholder, and such funding shall be on an arms' length basis; and (B) the Funding Shareholder shall infuse the balance amount of its Shareholder Loan Proportion and shall have the right (but not the obligation) to infuse the Shareholder Mop Up Portion, provided that the Funding Shareholder shall be entitled to undertake the funding of its balance amount of the Shareholder Loan Proportion and such Shareholder Mop Up Portion (if any) in the form of Shareholder Debt (which shall carry an interest rate of 18% (eighteen percent) per annum) or by subscription to equity shares of the Company, at its discretion, and the provisions of Clause 5.2 (*Affirmative Vote Items*) and Clause 13 (*Pre-Emptive Rights*) shall not apply to any Shareholder Debt availed from a Funding a Shareholder or issuance of Securities to the Funding Shareholder pursuant to this Clause.
- (f) In the event that each Shareholder notifies the Company that it agrees to infuse less than its respective Shareholder Loan Proportion (including if any Shareholder communicates its decision to not infuse any part of its Shareholder Loan Proportion to the Company) in accordance with the foregoing (the portion of its respective Shareholder Loan Proportion which each Shareholder agrees to infuse, as applicable,

being its "**Shareholder Loan Commitment**"), then each Shareholder, as applicable, shall: (A) be required to infuse such part of its respective Shareholder Loan Commitment to the Company as is proportionate to the Shareholder Loan Commitment agreed to be infused by the Shareholder which has communicated its decision to extend the lowest proportion of its Shareholder Loan Commitment ("**Lowest Proportion Shareholder**"), and such funding shall be on an arms' length basis; and (B) the Shareholder (other than the Lowest Proportion Shareholder) which has communicated its decision to infuse any part of its Shareholder Loan Commitment shall infuse the balance amount of its Shareholder Loan Commitment, in the form of Shareholder Debt (which shall carry an interest rate of 18% (eighteen percent) per annum) or by subscription to equity shares of the Company, at its discretion, and the provisions of Clause 5.2 (*Affirmative Vote Items*) and Clause 13 (*Pre-emptive Rights*) shall not apply to any Shareholder Debt availed from a Shareholder or issuance of Securities to any Shareholder pursuant to this Clause.

- (iv) In the event that the Company is unable to procure Shareholder Loans for any reason to meet any future financial requirements, the Company shall raise capital through issuance of Securities, and the Shareholders shall be entitled to contribute to the Share Capital of the Company, *pro-rata* their shareholding in the Company, on a Fully Diluted Basis, in the manner set out in Clause 13 (*Pre-emptive Rights*) below.

9. TRANSFER OF SECURITIES

9.1 General Transfer Conditions

- (i) The Shareholders shall not Transfer or attempt to Transfer any Securities or any right, title or interest therein or thereto, except as specifically permitted under this Agreement, provided that there shall be no restriction on the Shareholders on creating Encumbrances by way of pledge of the Securities held by them in the Company as a security for any External Debt taken by the Company in accordance with the provisions of this Agreement, provided further that the transferee to whom the Securities are transferred upon the enforcement of the aforementioned pledge shall be bound by the terms and conditions of this Agreement and shall execute a Deed of Adherence in the format set out **Schedule 3** (*Format of Deed of Adherence*). Any Transfer of securities in contravention of the terms of this Agreement shall be *void ab initio*.
- (ii) The Company shall not register a Transfer of any Security which is not in accordance with terms of this Clause 9 (*Transfer of Securities*) and no Party shall Transfer any Securities unless the transferee, if not already a Party to this Agreement, first executes a Deed of Adherence in the format set out **Schedule 3** (*Format of Deed of Adherence*).
- (iii) No Party shall, directly or indirectly, Transfer any Securities held by them to a Prohibited Transferee. It is clarified PIPL shall ensure that no securities of PIPL or HOABL shall be Transferred or issued to a Sanctioned Person or a Schloss Competitor.
- (iv) The Parties further agree that the restriction on Transfer of securities in this Agreement shall not be capable of being avoided by holding of securities indirectly through an entity that can itself be sold in order to indirectly dispose of an interest in the securities free of such restrictions.
- (v) It is expressly clarified that nothing contained in this Agreement (including Clauses 9 (*Transfer of Securities*), 10 (*Right of First Offer*) and 11 (*Tag-Along Right and Drag-Along Right*)), shall restrict or otherwise apply to any Transfer of any shares or securities issued by Schloss, from time to time, and any Transfer of shares and other securities issued by Schloss, from time to time,

shall be deemed to be freely permitted, and shall not trigger any consequences under this Agreement.

9.2 Transfers to Permitted Affiliates

Subject to Clause 9.1 (*General Transfer Conditions*) above and notwithstanding anything contained in Clause 9.3 (*Transfer Restrictions*) below, the Shareholders shall be permitted to Transfer all, or any part of the Securities held by them, to a Permitted Affiliate after providing prior written notice to the other Shareholders and the Company, provided that:

- (i) the Permitted Affiliate to whom any Securities are Transferred shall execute a Deed of Adherence and comply with the provisions of this Agreement (including the provisions of this Clause 9 (*Transfer of Securities*)), on and from the date of the Transfer of the Securities to such Permitted Affiliate, and when such Permitted Affiliate ceases to be a Permitted Affiliate of the original Shareholder, the Securities shall be Transferred back to the original Shareholder or any other Permitted Affiliate of such original Shareholder; and
- (ii) at all times when a Permitted Affiliate of a Shareholder is itself a Shareholder (including, for avoidance of doubt, pursuant to primary investment by subscription to the Company's Securities), it shall act together with the Shareholder of which it is a Permitted Affiliate, as a single block ("**Shareholder Group**"), including but not limited to voting on all resolutions as a single block, and all the rights under this Agreement available to the Shareholder, including but not limited to voting on all resolutions, shall be exercised collectively by the Shareholder Group as a single block, without duplication of any such rights, through a representative who shall be nominated by the Shareholder Group and notified by the Shareholder Group to the Company in writing, immediately upon a Permitted Affiliate of such Shareholder becoming a Shareholder ("**Shareholder Group Lead Member**"). The exercise of any right hereunder by the Shareholder Group Lead Member shall bind the entire Shareholder Group. A breach by any one Shareholder in the Shareholder Group of its rights, obligations, covenants or undertakings hereunder shall be deemed as a collective breach by the other members of the Shareholder Group of their respective rights, obligations, covenants or undertakings hereunder. It is also clarified that any notice served upon the Shareholder Group Lead Member shall be sufficient and be construed as service of such notice upon the entire Shareholder Group, except as may be required by Applicable Law to serve notice on all individual Shareholders.

9.3 Transfer Restrictions

- (i) Schloss:
 - (a) Subject to Clause 6.2 (*Schloss Put Option*), till the completion of the Lock-In Period, Schloss shall, together with Schloss Permitted Affiliates, continue to hold its entire shareholding in the Company until Schloss' shareholding, together with Schloss Permitted Affiliates, in the Company reaches 51% (fifty one percent) of the Share Capital on a Fully Diluted Basis, and thereafter at least 51% (fifty one percent) of the Share Capital on a Fully Diluted Basis ("**Schloss Locked- In Shares**"). It is clarified that, subject to Clauses 9.1 (*General Transfer Conditions*), 9.2 (*Transfer to Permitted Affiliates*), 10 (*Right to First Offer*) and 11 (*Tag Along Right and Drag Along Right*), Schloss and its Permitted Affiliates shall be permitted to sell: (A) during the Lock-In Period, any and all of the Securities held by Schloss and/or its Permitted Affiliates in the Company, other than the Schloss Locked-In Shares; and (B) after expiry of the Lock-in Period, any and all of the Securities held by Schloss and/or its Permitted Affiliates in the Company. It is further clarified that Schloss and its Permitted Affiliates shall, at all times during and after the Lock-In Period, be permitted to Transfer any and all of the Securities held by Schloss in the Company to any Schloss Permitted Affiliates in the manner set out in Clause 9.2 (*Transfers to Permitted Affiliates*).

- (b) Subject to the provisions of Clauses 9.1 (*General Transfer Conditions*), 9.2 (*Transfer to Permitted Affiliates*), 9.3(i)(a) (*Transfer Restrictions*), 9.3(i)(c) (*Transfer Restrictions*), 10 (*Right to First Offer*), and 11 (*Tag-Along Right and Drag-Along Right*), in the event of any sale of Securities by Schloss to a Person other than a Schloss Permitted Affiliate or a Shareholder of the Company, of less than all of the Securities held by Schloss ("**Third Party Part Transferee**"), Schloss shall sell at least 10% (ten percent) of the shareholding of the Company on a Fully Diluted Basis to such Third Party Part Transferee.
- (c) In the event of any sale of Securities by Schloss to a Person other than a Schloss Permitted Affiliate, Schloss shall be entitled to sell all, or any, of the Securities held by it in the manner contemplated in sub-clause (b) above along with such rights vested with Schloss to such Third Party Part Transferee, as Schloss may deem fit, and in the event that Schloss sells less than all of the Securities held by Schloss, Schloss (along with the Schloss Permitted Affiliates) and such Third Party Part Transferee may exercise their rights independently and separately, provided that the transferee and Schloss (along with the Schloss Permitted Affiliates): (A) shall collectively appoint the Schloss Nominee Directors; and (B) shall exercise affirmative voting rights in relation to the Affirmative Vote Items as one block, it being clarified that any inter-se arrangement between Schloss (along with its Permitted Affiliates) and such Third Party Part Transferee shall not be prohibited.

(ii) PHPL:

- (a) Till the completion of the Lock-in Period, PHPL shall not be entitled to Transfer any of the Securities held by it, to any Person other than to PHPL Permitted Affiliates in the manner set out in Clause 9.2 (*Transfer to Permitted Affiliates*). Subject to Clauses 9.1 (*General Transfer Conditions*), 9.2 (*Transfer to Permitted Affiliates*), 10 (*Right to First Offer*) and 11 (*Tag-Along Right and Drag-Along Right*), PHPL shall be entitled to sell all (and not less than all) of its Securities after expiry of the PHPL Lock-In Period.
- (b) Till the completion of the Lock-in Period, PHPL shall ensure that the HOABL Shareholders, directly or indirectly, own at least 76% (seventy six percent) of PHPL's share capital on a Fully Diluted Basis. Provided that the aforesaid restriction shall not apply in the event that PHPL, at the relevant time during the Lock-in Period, owns any material or substantial assets other than the Securities or any debt in the Company, in which case, the provisions of sub-clauses (x) and (y) below shall be applicable. Provided further that after the expiry of the Lock-in Period, there shall be no restriction on undertaking a PHPL Dilution Event, subject to the provisions of sub-clause (y) below.
 - (x) In the event that the HOABL Shareholders cease to, directly or indirectly own at least 76% (seventy six percent) of PHPL's share capital on a Fully Diluted Basis ("**PHPL First Dilution Event**") during the Lock-In Period, the provisions of Clause 9.3(i)(a) (*i.e.* the restrictions on Transfer of the Schloss Locked-In Shares) shall cease to be applicable to Schloss and its Permitted Affiliates, save and except in case a PHPL First Dilution Event occurs on account of a Pre-IPO Event or as part of an initial public offering of securities of PHPL or HOABL.
 - (y) The provisions of Clause 9.3(iii) (*Right of First Refusal*) shall apply in the event: (A) a transaction is contemplated which could result in the PHPL First Dilution Event; and (B) prior to every subsequent dilution in the direct or indirect shareholding of HOABL Shareholders in PHPL after the PHPL First Dilution Event (each such dilution being a "**PHPL Subsequent Dilution Event**"), whether during or after the expiry of the Lock-In Period, save and except in case a PHPL First Dilution Event or a PHPL Subsequent Dilution Event occurs on

account of a Pre-IPO Event or as part of an initial public offering of the securities of PHPL or HOABL.

(iii) Right of First Refusal

- (a) If any PHPL Dilution Event is proposed to be undertaken, then upon receiving a *bona fide* written offer from any third party not being a Sanctioned Person or a Schloss Competitor ("**Third Party Transferee**") as part of such PHPL Dilution Event but prior to the consummation of any issuance or transfer (as applicable) of securities of PHPL or HOABL (as applicable) in favour of a Third Party Transferee, Schloss shall have the right but not the obligation to acquire all the Securities of the Company held by PHPL (together with the Securities held by the PHPL Permitted Affiliates) ("**ROFR Securities**"), in the manner set out in this Clause 9.3 (iii) (*Right of First Refusal*) ("**ROFR**").
- (b) If any PHPL Dilution Event is proposed to be undertaken, PHPL must, prior to the consummation of such PHPL Dilution Event, serve an irrevocable notice to Schloss ("**ROFR Notice**") which shall contain details of: (A) the identity of the Third Party Transferee, (B) proposed dilution of shareholding of the HOABL Shareholders in PHPL pursuant to such PHPL Dilution Event (collectively, "**Third Party Terms**"), and (C) the Determined Value of the Securities of the Company held by PHPL, as determined by an Independent Valuer appointed by PHPL ("**ROFR Price**").
- (c) Within 30 (thirty) days after receipt of a ROFR Notice ("**ROFR Period**"), Schloss (either directly or through a Schloss Permitted Affiliate) shall have the right to exercise its ROFR and acquire all (and not less than all) of the ROFR Securities at the ROFR Price by issuing a written notice to PHPL ("**ROFR Acceptance Notice**"). In the event that a ROFR Acceptance Notice is issued by Schloss, then within 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) of the date of the ROFR Acceptance Notice ("**ROFR Completion Period**"), Schloss (or its Permitted Affiliate or nominee, as the case may be) shall be bound to pay the ROFR Price for, and to accept a transfer of, the ROFR Securities and PHPL shall be bound to sell such ROFR Securities to Schloss (or its Permitted Affiliate or nominee) in consideration for the payment of the ROFR Price. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the ROFR Securities shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
- (d) PHPL shall provide customary representations, warranties and indemnities to Schloss in relation to: (A) its title to the ROFR Securities; (B) the ROFR Securities being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (C) Income Tax (in relation to the ROFR Securities); and (D) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer.
- (e) In the event that: (A) Schloss has issued a notice communicating that it is not desirous of purchasing the ROFR Securities at the ROFR Price; or (B) Schloss fails to issue the ROFR Acceptance Notice within the ROFR Period, then the securities of PHPL or HOABL shall, subject to the provisions of Clause 9.1(iii) be permitted to be sold or issued to the Third Party Purchaser, on the Third Party Terms, within 180 (one hundred and eighty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) from (x) the receipt of written notice issued by Schloss, in case of (A) above, and (y) the expiry of ROFR Period, in case of (B) above, as the case may be ("**Third Party Transaction Period**").

- (f) If the issuance or transfer of securities of PHPL or HOABL to the Third Party Purchaser constituting the PHPL Dilution Event is not consummated prior to the expiry of the Third Party Transaction Period, no PHPL Dilution Event shall be permitted to be undertaken, without re-offering the ROFR to Schloss in accordance with the provisions of this Clause 9.3(ii) (*Right of First Refusal*).
- (g) PHPL agrees and undertakes that the transactions contemplated in this Clause 9.3 (*Right of First Refusal*) shall be undertaken on a good faith basis.

9.4 Stapling of Securities

- (i) A Shareholder shall only transfer to any Person, any debt infused by such Shareholder in the Company, including any Shareholder Loans and non-convertible debentures (and all accrued interest thereon that remains unpaid) ("**Debt**"), along with a Transfer of Securities held by such Shareholder in accordance with this Agreement, on a *pro-rata* basis.
- (ii) Without prejudice to Clause 9.4(i), no Shareholder shall be entitled to Transfer any Securities to any Person without the relevant outstanding Debt infused by such Shareholder being transferred simultaneously with the transfer of such Securities, on a *pro-rata* basis.

10. RIGHT OF FIRST OFFER

- 10.1 Subject to Clause 9.1 (*General Transfer Conditions*), Clause 9.3 (*Transfer of Securities*), and Clause 9.4 (*Stapling of Securities*) above, if: (i) Schloss proposes to sell any of the Securities held by it in the Company; or (ii) PHPL proposes to sell all of the Securities held by it in the Company (the Securities proposed to be sold being the "**ROFO Shares**"), and the Party proposing to sell the ROFO Shares being the "**Selling Shareholder**"), to any third party (not being a Permitted Affiliate of such Selling Shareholder), then in such an event, the ROFO Holder (*defined hereinafter*) shall have the right, but not an obligation, to make an offer to purchase the ROFO Shares offered by the Selling Shareholder, in accordance with the terms and conditions set out in this Clause 10 ("**Right of First Offer**"). For the purposes of this Clause 10 (*Right of First Offer*), "**ROFO Holder**" shall mean: (i) if the Selling Shareholder is Schloss, PHPL; and (ii) if the Selling Shareholder is PHPL, Schloss.

- 10.2 The process to be followed for the exercise of the Right of First Offer is set out below:

- (i) In the event that the Selling Shareholder wishes to sell any ROFO Shares, the Selling Shareholder shall issue a notice to the ROFO Holder in writing ("**ROFO Notice**").
- (ii) Upon receipt of the ROFO Notice, the ROFO Holder shall be entitled to respond to the ROFO Notice by issuing a written notice ("**ROFO Exercise Notice**") to the Selling Shareholder prior to the expiry of 30 (thirty) days from the date of receipt of the ROFO Notice ("**ROFO Period**"), offering to purchase, itself or through its Permitted Affiliate, all and not less than all of such ROFO Shares and specifying the price (being the price per share) ("**ROFO Price**") and other terms and conditions at which the ROFO Holder proposes to acquire the ROFO Shares from the Selling Shareholder. It is clarified that the consideration for transfer of ROFO Shares shall be payable in INR, in cash (in immediately available funds).
- (iii) Upon receipt of the ROFO Exercise Notice from any ROFO Holder, if the ROFO Price offered by the ROFO Holder is acceptable to the Selling Shareholder, the Selling Shareholder shall issue a letter of acceptance to the ROFO Holder, ("**ROFO Acceptance Notice**") within 30 (thirty) days of receipt of the ROFO Exercise Notice, confirming the acceptance of the ROFO Price set out in the ROFO Exercise Notice.
- (iv) In the event that a ROFO Acceptance Notice is issued by the Selling Shareholder, then within 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain

requisite Approvals from Governmental Authorities) of the date of the ROFO Acceptance Notice ("**ROFO Completion Period**"), the ROFO Holder (or its Permitted Affiliate, as the case may be) shall be bound to pay the ROFO Price for, and to accept a transfer of, the ROFO Shares and the Selling Shareholder shall be bound to sell such ROFO Shares to the ROFO Holder in consideration for the payment of the ROFO Price. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the ROFO Shares shall procure such Approvals at its cost and expense, and the other party selling or acquiring the Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.

- (v) The Selling Shareholder shall provide customary representations, warranties and indemnities to the ROFO Holder in relation to: (a) its title to the ROFO Shares; (b) the ROFO Shares being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (c) Income Tax (in relation to the ROFO Shares); and (d) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer.
- (vi) If (a) a ROFO Holder does not issue the ROFO Exercise Notice within the ROFO Period; or (b) a ROFO Exercise Notice has been issued by the ROFO Holder within the ROFO Period but the Selling Shareholder has not issued the ROFO Acceptance Notice, then the Selling Shareholder shall, subject to the provisions of Clause 11.1 (*Tag Along Right*) be entitled to sell the ROFO Shares to a third-party not being a Prohibited Transferee ("**Third Party Purchaser**"), within 180 (one hundred and eighty) days from: (A) the expiry of the ROFO Period (in case of (a) above); and (B) the expiry of 30 (thirty) days from the receipt of the ROFO Exercise Notice (in case of (b) above), in each case excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities, and provided that such aforementioned time shall stand extended by an additional period of 90 (ninety) days, as may be required for the purposes of the processes set out in Clause 11 (*Tag Along Right and Drag Along Right*) below. Any such Third Party Purchaser to whom the ROFO Shares are transferred shall execute a Deed of Adherence, and in the case of (b) above, the price shall be at least 105% (one hundred and five percent) of the ROFO Price and the terms and conditions of such transfer shall be no less favourable to the Selling Shareholder than what was offered by the ROFO Holder. It is clarified that in case of (a), the Selling Shareholder shall be entitled to sell the ROFO Shares at any price and terms and conditions as may be mutually agreed between the Selling Shareholder and the Third Party Purchaser.
- (vii) The Board shall record the transfer of the ROFO Shares from the Selling Shareholder to the ROFO Holder or the Third Party Purchaser (as the case may be) and complete all corporate actions as applicable.
- (viii) If the Selling Shareholder fails to transfer the ROFO Shares within the period stipulated above to the Third Party Purchaser, it shall not be entitled to transfer the ROFO Shares thereafter to any other Person, without re-offering the ROFO Shares to the ROFO Holders in accordance with provisions of this Clause 10 (*Right of First Offer*).

11. TAG ALONG RIGHT AND DRAG ALONG RIGHT

11.1 Tag Along Right:

- (i) If Schloss proposes to sell any of its ROFO Shares to a Third Party Purchaser not being a Permitted Affiliate and (a) PHPL does not issue the ROFO Exercise Notice within the ROFO Period; or (b) a ROFO Exercise Notice has been issued by PHPL within the ROFO Period but the ROFO Price is not acceptable to Schloss then Schloss shall, prior to selling the ROFO Shares to a Third Party Purchaser, give a written notice ("**Tag Notice**") to PHPL, specifying the number of Securities proposed to be transferred by Schloss (i.e., all

ROFO Shares) to the Third Party Purchaser ("**Tag Offered Shares**"), the proposed price per Tag Offered Share (which shall be, in case of (b) above, at least 105% (one hundred and five per cent) of the ROFO Price as mentioned in Clause 10.2 (ii) (*Right of First Offer*) above) ("**Tag Offer Price**").

- (ii) PHPL shall be entitled to respond to the Tag Notice by serving a written notice ("**Tag Response Notice**") to Schloss prior to the expiry of a period of 15 (fifteen) days commencing from the date of receipt of the Tag Notice ("**Tag Offer Period**"), requiring that the proposed Third Party Purchaser also purchases such number of Securities as is equal to the number of Tag Acceptance Shares (*as defined below*) held by PHPL, at the Tag Offer Price ("**Tag Along Right**"). For the purpose of this Clause 11 (*Tag Along Right and Drag Along Right*), the "**Tag Acceptance Shares**" shall be the number of Securities which bears such proportion to all Securities held by PHPL as is equal to the proportion that the number of Tag Offered Shares bears to all Securities held by Schloss (immediately prior to such sale), in each case on a Fully Diluted Basis, provided that, in the event that the number of Tag Acceptance Shares are such that upon consummation of the transfer of Securities pursuant to the exercise of the Tag Along Right, PHPL's resultant shareholding in the Company is less than 10% (ten percent) of the Share Capital of the Company on a Fully Diluted Basis, the "**Tag Acceptance Shares**" shall mean all the Securities of the Company held by PHPL.
- (iii) The Third Party Purchaser shall acquire, together with the Tag Offered Shares, the number of Tag Acceptance Shares specified in the Tag Response Notice (collectively, "**Tag Along Shares**") at the same price per Security as the Tag Offered Shares and on the same terms and conditions as offered to Schloss (and as set out in the Tag Notice). Schloss shall not be entitled to transfer any of the Tag Offered Shares to any Third Party Purchaser unless the Third Party Purchaser simultaneously purchases and pays for the Tag Along Shares. The completion of the sale of the Tag Offered Shares and, if applicable, the Tag Along Shares shall be undertaken by the relevant parties within a period of 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) from the earlier of: (a) the date of issuance of the Tag Response Notice; or (b) the date of expiry of the Tag Offer Period. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the Tag Along Shares shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval. If the completion of the sale of the Tag Offered Shares and, if applicable, the Tag Acceptance Shares does not occur within the timelines mentioned in this Clause 11.1 (iii) (*Tag Along Right*), then the provisions of Clause 11.1 (*Tag Along Right*) shall apply again.
- (iv) In the event that PHPL does not deliver a Tag Response Notice to Schloss prior to the expiry of the Tag Offer Period, then Schloss shall be entitled to transfer the Tag Offered Shares to the Third Party Purchaser identified in the Tag Notice and shall also be entitled to exercise its Drag Along Right in accordance with Clause 11.2 (*Drag Along Right*) below.
- (v) PHPL shall provide the same representations, warranties, and indemnities as are being provided by Schloss, which may include representations, warranties, and indemnities in relation to: (a) its title to the Tag Along Shares; (b) its Tag Along Shares being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (c) Income Tax in relation to its Tag Along Shares; (d) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer; and (e) the business or operations of the Company, pro-rata to the Tag Along Shares, on a several basis.

11.2 Drag Along Right:

- (i) If Schloss proposes to sell all or any portion of its ROFO Shares ("Drag Shares"), to a Third Party Purchaser not being a Permitted Affiliate ("Drag Sale Purchaser"), and PHPL does not issue the ROFO Exercise Notice within the ROFO Period or a ROFO Exercise Notice has been issued by PHPL within the ROFO Period but the ROFO Price is not acceptable to Schloss, then subject to PHPL not having exercised the Tag Along Right under Clause 11.1 (*Tag Along Right*) above, Schloss shall have the right (but not the obligation), if it proposes to sell the ROFO Shares to a Third Party Purchaser, to require PHPL to sell the Drag Along Shares (*as defined below*) held by PHPL to such Third Party Purchaser, on the same terms and conditions as Schloss, in accordance with the terms set out herein ("Drag Along Right"). For the purposes of this Clause 11 (*Tag Along Right and Drag Along Right*), the term "Drag Along Shares" shall be the number of Securities which bears such proportion to all Securities held by PHPL as is equal to the proportion that the number of Drag Shares bears to all Securities held by Schloss (immediately prior to such sale), in each case on a Fully Diluted Basis, provided that, in the event that the number of Drag Along Shares are such that upon consummation of the transfer of Securities pursuant to the exercise of the Drag Along Right, PHPL's resultant shareholding is less than 10% (ten percent) of the Share Capital of the Company on a Fully Diluted Basis, the "Drag Along Shares" shall mean all the Securities of the Company held by PHPL.
- (ii) To exercise the Drag Along Right, Schloss shall provide a written notice to PHPL ("Drag Along Notice") requiring it to sell the Drag Along Shares as specified therein, on the date specified therein, to the Third Party Purchaser at the same price and other terms and conditions as offered to Schloss, provided that: (a) in the event that PHPL had not issued the ROFO Exercise Notice within the ROFO Period, the price shall not be less than the Determined Value of the Securities, as determined by an Independent Valuer appointed by Schloss at its discretion, and provided further that PHPL waives any right to dispute or contest the valuation so determined by such independent valuer; and (b) in the event that PHPL had issued ROFO Exercise Notice within the ROFO Period but the ROFO Price offered by PHPL is not acceptable to Schloss, the price shall be at least 105% (one hundred and five percent) of the ROFO Price (such price being referred to as the "Drag Price").
- (iii) PHPL shall, upon receipt of the Drag Along Notice, be obligated to transfer the Drag Along Shares as specified in the Drag Along Notice to the Third Party Purchaser simultaneously with the transfer by Schloss of the Drag Shares, and the Third Party Purchaser shall simultaneously deliver at such closing to each of Schloss and PHPL, payment in full of the consideration per the Drag Price for the transfer of the Drag Shares and Drag Along Shares ("Drag Sale"). It is clarified that the consideration for Drag Shares and Drag Along Shares shall be payable in INR, in cash (in immediately available funds).
- (iv) PHPL shall provide the same representations, warranties, and indemnities as are being provided by Schloss, which may include representations, warranties, and indemnities in relation to: (a) its title to the Drag Shares; (b) the Drag Along Shares being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (c) Income Tax (in relation to the Drag Along Shares); (d) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer; and (e) only in case of a complete exit for PHPL or an Asset Sale, the business or operations of the Company, pro-rata to the Drag Along Shares, on a several basis. Provided that the monetary liability of PHPL in respect of such representations and warranties shall in no event exceed the consideration received by it pursuant to the exercise of such Drag Along Right.
- (v) PHPL shall do all such acts and deeds as may be reasonably required to complete the transfer of the Drag Along Shares, simultaneously with the transfer of the Drag Shares, including executing such documents as may be necessary to effect the sale of the Drag Along Shares,

and making of all requisite filings (including filing of Form FC-TRS, if required) as may be required to be made by it by Applicable Law.

- (vi) The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the Drag Along Shares shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
- (vii) It is clarified for the avoidance of doubt that in the event the Third Party Purchaser so requires, the Drag Along Right may be consummated through a sale of the Hotel or all or substantially all of the assets of the Company ("**Asset Sale**") provided that the impact of such Asset Sale on the Shareholders in relation to any Tax required to be borne by the Shareholders is not more adverse to the Shareholders than the impact of a transfer of Securities of the Company in relation to any Tax required to be borne by the Shareholders.

12. PHPL PUT OPTION

- 12.1 Upon completion of 3 (three) years from the commencement of the operations of the Hotel ("**PHPL Put Option Date**"), PHPL (and / or its Permitted Affiliate holding Securities in the Company) shall have the right, exercisable within 30 (thirty) days from the PHPL Put Option Date, to require Schloss to purchase (itself and/or through its Permitted Affiliates or nominees), subject to Applicable Law, all of its Securities, for the Put Option Consideration (*defined hereinafter*), in the manner set out in this Agreement ("**PHPL Put Option**").
- 12.2 In order to exercise the PHPL Put Option, PHPL shall appoint an Independent Valuer to determine the Determined Value of PHPL's Securities and shall issue a written notice ("**Put Option Notice**") to Schloss requiring Schloss to appoint an Independent Valuer to determine the Put Option Consideration, in each case within 15 (fifteen) days from the date of Put Option Notice. Schloss and PHPL shall bear the respective costs of the Independent Valuer appointed by each of them.
- 12.3 Each of Schloss and PHPL shall instruct the respective Independent Valuers appointed by each of them to ascertain the Determined Value of PHPL's Securities within 60 (sixty) days of their appointment. The Determined Value ascertained by each of the Independent Valuers shall be referred to as their respective "**Initial Determined Value**".
- 12.4 In the event that there is a difference of less than 10% (ten percent) between the Initial Determined Value determined by the 2 (two) Independent Valuers pursuant to the foregoing, the average of both the Initial Determined Values shall be considered the "**Final Determined Value**" and shall be final and binding on all the Parties.
- 12.5 In the event that there is a difference of more than 10% (ten percent) between the Initial Determined Value determined by the 2 (two) Independent Valuers pursuant to the foregoing, then Schloss and PHPL shall instruct the 2 (two) aforementioned Independent Valuers to jointly appoint a third Independent Valuer within 5 (five) days of determination of the Initial Determined Values to ascertain the Determined Value of PHPL's Securities ("**Additional Independent Valuer**"), within 60 (sixty) days from the appointment of such Additional Independent Valuer, and the cost of such Additional Independent Valuer shall be borne equally by Schloss and PHPL. The Determined Value ascertained by the Additional Independent Valuer shall be referred to as the "**Additional Valuers Determined Value**". The Parties agree that the average of (i) the Additional Valuers Determined Value and (ii) the Initial Determined Value which is nearest to the Additional Valuers Determined Value shall be considered the "**Final Determined Value**" and shall be final and binding on all the Parties.

- 12.6 In the event either the Schloss or PHPL fail to appoint an Independent Valuer within the period mentioned in Clause 12.2 (*PHPL Put Option*) above, the sole appointed Independent Valuer by the relevant Party (as applicable) shall determine the Determined Value of the Securities and the value so determined shall be considered to be the **"Final Determined Value"** and shall be final and binding on all the Parties.
- 12.7 The date of determination of the Final Determined Value in accordance with Clause 12.3 or Clause 12.5 above (as the case may be) shall be the **"Price Determination Date"**.
- 12.8 The **"Put Option Consideration"** shall be an amount equivalent to 90% (ninety percent) of the Final Determined Value as determined pursuant to the foregoing.
- 12.9 The closing of the purchase of PHPL's Securities pursuant to the PHPL Put Option shall take place on a date to be mutually agreed between PHPL and Schloss, but in any event on or prior to the date that is 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) after the Price Determination Date. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of PHPL's Securities shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
- 12.10 Schloss (and/or its Permitted Affiliates or nominees, as the case may be) shall pay the Put Option Consideration to PHPL, and PHPL shall transfer all its Securities to Schloss (and/or its Permitted Affiliates or nominees, as the case may be) on the date set out in Clause 12.5 (*PHPL Put Option*) above.
- 12.11 The Board shall (and Schloss shall cause the Board to) record the transfer of the Securities from PHPL to Schloss (and/or its Permitted Affiliates or nominees, as the case may be) and complete all corporate actions as applicable.
- 12.12 PHPL shall provide customary representations, warranties and indemnities to Schloss (and/or its Permitted Affiliates or nominees, as the case may be) in relation to: (i) its title to the Securities being transferred; (ii) the PHPL's Securities being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (iii) Income Tax (in relation to the PHPL's Securities); and (iv) its power and authority to undertake the proposed transfer, and the validity and enforceability of its obligations in connection with the proposed transfer.
- 13. PRE-EMPTIVE RIGHTS**
- 13.1 The Company shall not issue any Securities to any Person, unless the Company has first offered all the Shareholders, the pro rata pre-emptive right of subscription to such Securities proposed to be issued by the Company to maintain their respective shareholding in the Company in proportion to the issued and paid-up Share Capital, on a Fully Diluted Basis, in the manner set out in this Clause 13 (**"Pre-emptive Right"**).
- 13.2 The Pre-emptive Right shall be offered by the Company by issuing a written notice to the Shareholders (**"Issuance Notice"**) and such Issuance Notice shall specify: (i) the number and class of Securities proposed to be issued to each Shareholder (**"Issuance Shares"**); (ii) the price per Security proposed to be issued (**"Issuance Price"**); (iii) the proposed date of closing of the proposed issuance; and (iv) other terms and conditions for the proposed issuance which terms and conditions shall be same (in all manners) for both Shareholders (hereinafter collectively referred to as the **"Offer Terms"**).
- 13.3 If a Shareholder wishes to exercise its Pre-emptive Right, it shall notify the Company of such intention within 30 (thirty) days from the date of receipt of the Issuance Notice, indicating whether it intends to exercise such right by itself or through its Permitted Affiliates (**"Exercising**

Shareholder"). To the extent that a Shareholder (i) intimates the Company that it does not wish to exercise or fully exercise its right to subscribe to the Issuance Shares up to its full entitlement, or (ii) does not intimate its decision (whether acceptance or rejection) in this regard to the Company, the Company shall, within 5 (five) Business Days from: (a) the expiry of the aforementioned time period of 30 (thirty) days; or (b) the date of issuance of written intimation by the Shareholder set out in (i) above, whichever is earlier, notify the other Exercising Shareholder (if any) (the "**Additional Entitlement Notice**") of the total number of Issuance Shares not taken up by the other Shareholder ("**Unpurchased Shares**"), and such Exercising Shareholder shall have the right, but not the obligation, to subscribe to all or part of the Unpurchased Shares (at its sole discretion), and, for this purpose, the Exercising Shareholders shall provide notice of their intention to subscribe to such unsubscribed portion of the Issuance Shares (the portion of Unpurchased Shares to which an Exercising Shareholder elects to subscribe to shall be referred to as the "**Additional Shares**") within 10 (ten) days of the receipt of the Additional Entitlement Notice.

- 13.4 Thereafter, on the date mentioned in the Issuance Notice which shall be a date falling at least 45 (forty five) Business Days after the date of Issuance Notice ("**Proposed Closing Date**"), the Exercising Shareholders shall pay for, and subscribe to, such number of the Issuance Shares: (i) as they have notified the Company they wish to subscribe to up to such Shareholder's total pro rata entitlement in such proposed issuance; and (ii) if the Exercising Shareholder has indicated that it is willing to buy Additional Shares, it shall also subscribe to the Additional Shares; in each case, at the Issuance Price and on the terms and conditions set out in the Issuance Notice. The Proposed Closing Date shall be extended by such further period as may be mutually agreed between the Company and the Exercising Shareholders, if any Approvals are required for such purchase and payment by the Exercising Shareholders. Subject to the receipt of the payment against exercise of the relevant Pre-emptive Right by each Exercising Shareholder, the Company shall issue and allot the Issuance Shares to each Exercising Shareholder on the Proposed Closing Date.
- 13.5 If one or more Shareholders do not subscribe to any part of the Issuance Shares, then, subject to Clause 5.2 (*Decision of Affirmative Vote Items*) above, the Company may issue and allot the unsubscribed Issuance Shares to a third party subscriber, other than a Sanctioned Person or a Competitor (the "**Third Party Subscriber**") at a price not lower than the Issuance Price and on the terms and conditions mentioned in the Issuance Notice, unless otherwise agreed by the Board. The Third Party Subscriber shall be required to enter into a deed of adherence in a form agreed between the Company and the Third Party Subscriber prior to any Issuance Shares being issued and allotted to it.
- 13.6 For the avoidance of doubt, it is hereby clarified that: (i) the provisions of this Clause 13 (*Pre-emptive Rights*) shall not apply to the issue of any equity stock options of the Company to its employees or the issuance of any Equity Shares pursuant to the conversion of any Securities previously issued by the Company to any Party, or the issuance of Series B CCPS to Schloss pursuant to its Equity Commitment, or issuance of any Securities pursuant to Clause 8.1(iii) (*Shareholder Loans*), or issuance of any Securities pursuant to any scheme of merger or amalgamation approved by a court / tribunal, or a consolidation or sub-division of an entire class of Securities; and (ii) an Exercising Shareholder shall be permitted to subscribe to the Securities under this Clause itself and/ or through a Permitted Affiliate (provided that information regarding its name and relationship with the Exercising Shareholder is provided to the other Parties in advance and such Permitted Affiliate executes a Deed of Adherence and is bound by the provisions of this Agreement), in each case, subject to and in accordance with this Agreement.

14. INFORMATION AND ACCESS RIGHTS

- 14.1 The Company shall furnish to each Shareholder the following information:
 - (i) annual audited accounts, within 185 (one hundred and eighty five) days of the end of the relevant Financial Year;

- (ii) quarterly unaudited financial statements (comprising the balance sheet, income statement, notes to financial statements, profits and loss statement and cash flow statement), within: (i) 60 (sixty) days from the end of each quarter except the last quarter of a financial year ("Q4"), and (ii) 90 (ninety) days from the end of Q4;
- (iii) a monthly cashflow statement within 20 (twenty) days of the expiry of each month;
- (iv) an annual budget of the Company, within 5 (five) Business Days of receipt of the Annual Plan *(as defined in the Hotel Management Agreement)* from the Operator;
- (v) an annual budget of the Company, within 5 (five) Business Days of such budget being agreed with the Construction Contractor;
- (vi) Board, committee, and shareholder meeting minutes of the Company within 30 (thirty) days after such event;
- (vii) any management letter or similar letter from the Company's statutory auditor regarding qualification of the accounts of the Company, within 5 (five) Business Days after receipt thereof by the Company;
- (viii) notices of: (a) all litigations or investigations or proceedings against the Company; and (b) all litigations or proceedings initiated by the Company. The Company shall keep the Shareholders informed of the developments in relation to all such litigations, from time to time;
- (ix) any information and documents that the Company receives from the Construction Contractor under the Construction Contract, or from the Operator under the Hotel Management Agreement and the Technical Services Agreement, in each case, within 5 (five) Business Days from the receipt thereof; and
- (x) any other information rights that a Shareholder shall be entitled to under Applicable Law within the prescribed timeline (without any cost or fees payable by the Shareholders) or that a Shareholder may reasonably request, in writing.

14.2 Access Rights:

The Company shall allow the Shareholders and their respective employees, lawyers, accountants and professional advisors (collectively the "**Authorized Representatives**") the right to: (a) access and inspect the books, accounting records, corporate, financial and other statutory records, of the Company and make extracts and copies therefrom at their own expense; and (b) access all of the Company's properties and assets, during normal business hours and with 3 (three) Business Days prior notice to the Company, and the Company shall instruct the officers and employees of the Company to give all such information as they may reasonably request.

15. EVENTS OF DEFAULT

15.1 The following in relation to a Shareholder shall be considered to be an event of default ("**Event of Default**") under this Agreement:

- (i) Breach of any of the provisions of Clause 9 (*Transfer of Securities*) of the Agreement;
- (ii) Fraud, embezzlement, misappropriation or theft of funds or the property of the Company;
- (iii) Failure of PHPL to honour (a) the Schloss Put Option in the manner set out in Clause 6.2 (*Schloss Put Option*) or (b) the call option set out in Clause 7.3;

- (iv) Failure of Schloss to honour the PHPL Put Option in the manner stated in Clause 12 (*PHPL Put Option*);
- (v) Breach of any obligations in relation to compliance with Anti-Corruption Laws, Anti-Money Laundering Laws, and Sanctions Laws, as set out in Clause 17.2 (*Covenants*);
- (vi) Breach of the provisions of Clause 21 (*Non-Compete*);
- (vii) Breach of the provisions of Clause 5.2 (*Decision on Affirmative Vote Items*);
- (viii) Breach of the provisions of Clause 7.1 (*Equity Commitment*);
- (ix) Failure by such Shareholder to infuse any part of a Shareholder Loan as agreed by such Shareholder to be provided to the Company in its Shareholders Loans Infusion Notice, in the manner set out in Clause 8.1(iii) (*Shareholder Loans*);
- (x) Breach of the provisions of Clause 10 (*Right of First Offer*);
- (xi) Breach of the provisions of Clause 11 (*Tag Along Right and Drag Along Right*); and/or
- (xii) Occurrence of an Insolvency Event.

For the purposes of Events of Defaults set out in this Clause 15.1 (*Events of Default*), the defaulting Shareholder and each of its Permitted Affiliates who holds any Securities in the Company shall be “**Defaulting Party**”.

- 15.2 **Default Notice:** A Party which becomes aware of the occurrence of an Event of Default with respect to itself shall as soon as reasonably practicable, notify the other Party in writing. Upon the occurrence of an Event of Default with respect to a Party, the other Party may serve a written notice (“**Default Notice**”) on the defaulting Party within 60 (sixty) days of becoming aware of the Event of Default, whether on account of the notice specified in the preceding sentence, or otherwise. The defaulting Party shall, save and except in the event that the Event of Default is due to items (iv) or (v) of the definition of Insolvency Event, have a period of 30 (thirty) days to cure the Event of Default (the “**Cure Period**”), failing which the rights under Clause 16 (*Consequences of an Event of Default*) below may be exercised by the Party serving the Default Notice (the date when the Cure Period expires without the defaulting Party having cured the relevant Event of Default is referred to as the “**EoD Effective Date**”). A Default Notice may not be served more than once in respect of the same Event of Default.

16. CONSEQUENCES OF AN EVENT OF DEFAULT

- 16.1 Upon occurrence of an Event of Default (which has not been cured in accordance with Clause 15.2 (*Default Notice*) above), and upon expiry of the cure period set out in Clause 15.2 (*Default Notice*) above, notwithstanding anything set forth in this Agreement, the following consequences shall occur, and the non-defaulting Party shall have the following rights:
- (i) All obligation of/ restrictions on the non-defaulting Party (and its Shareholder Group) under this Agreement and the Articles in relation to restrictions set out in Clause 9 (*Transfer of Securities*) (save and except the restriction on Transfer/ issuance of securities to a Sanctioned Person), Clause 10 (*Right of First Offer*), Clause 11 (*Tag Along Right and Drag Along Right*), and the restriction on issuance of Securities of the Company to a Competitor of the Defaulting Party, shall automatically fall-away without requirement of any further act, deed or action, provided that in case of occurrence of Event of Default set out in Clause 15.1(xii) (*Occurrence of an Insolvency Event in relation to any of the Shareholders*) above, the restriction on the non-defaulting Party on Transfer/issuance of securities to a Competitor of the Defaulting Party

and the restriction on the Company issuing Securities to a Competitor of the Defaulting Party shall continue to be applicable.

- (ii) The rights of the defaulting Party in relation to Affirmative Vote Items as set out in Clause 5.2 (*Decision on Affirmative Vote Items*) shall automatically fall-away without requirement of any further act, deed or action.
- (iii) Default Call Option:
 - (a) Upon occurrence of the EoD Effective Date, the non-defaulting Party shall have the right but not an obligation ("**Call Option**"), to require the defaulting Party to transfer, subject to Applicable Law, all the Securities held by the defaulting Party ("**Call Option Shares**") to it or its Permitted Affiliates/nominees, at 80% (eighty percent) of the Determined Value of such Call Option Shares, as determined by an Independent Valuer appointed by the Company ("**Call Option Price**"), in accordance with the provisions of this Clause.
 - (b) The non-defaulting Party shall be entitled to exercise its Call Option with respect to all (and not part) of the Call Option Shares, at the Call Option Price, by serving a written notice ("**Call Option Exercise Notice**") on the defaulting Party within a period of 30 (thirty) Business Days from the EoD Effective Date.
 - (c) The closing of the purchase of the Call Option Shares shall take place on a date to be mutually agreed between the non-defaulting Party and the defaulting Party, but in any event on or prior to the date that is 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) after the date of issuance of the Call Option Exercise Notice by the non-defaulting Party. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the Call Option Shares shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
 - (d) The non-defaulting Party (and/or its Permitted Affiliates or nominees) shall pay the Call Option Price to the defaulting Party, and the defaulting Party shall be bound to absolutely and irrevocably transfer the Call Option Shares to the non-defaulting Party (and/or its Permitted Affiliates or nominees, as the case may be) as set out in the Call Option Exercise Notice, free and clear of any Encumbrance (other than any Encumbrance created in accordance with the terms of this Agreement), and all actions as may be necessary to give effect to such transfer shall be duly completed by the defaulting Party.
 - (e) The Board shall record the transfer of the Call Option Shares from the defaulting Party to the non-defaulting Party (and/or its Permitted Affiliates or nominees, as the case may be) and complete all corporate actions as applicable.
 - (f) The defaulting Party shall provide customary representations, warranties and indemnities to the non-defaulting Party (and/or its Permitted Affiliates or nominees), as the case may be in relation to: (A) its title to the Call Option Shares; (B) the Call Option Shares being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (C) Income Tax (in relation to the Call Option Shares); and (D) its power and authority to undertake the proposed transfer, and the validity and enforceability of their obligations in connection with the proposed transfer.

(iv) Default Put Option

- (a) Upon occurrence of an EoD Effective Date, the non-defaulting Party shall have the right but not the obligation ("Put Option"), to require that the defaulting Party (itself or through its Permitted Affiliates or nominees) purchase and acquire, subject to Applicable Law, all (and not part) of the Securities held by the non-defaulting Party ("Put Option Shares") at 120% (one hundred and twenty percent) of the Determined Value of such Put Option Shares as determined by an Independent Valuer appointed by the Company ("Put Option Price"), in accordance with the provisions of this Clause.
- (b) The non-defaulting Party shall be entitled to exercise its Put Option with respect to all (and not part) of the Put Option Shares, at the Put Option Price, by serving a written notice ("Put Option Exercise Notice") to the defaulting Party within a period of 30 (thirty) Business Days from the EoD Effective Date.
- (c) The closing of the purchase of the Put Option Shares shall take place on a date to be mutually agreed between the non-defaulting Party and the defaulting Party, but in any event on or prior to the date that is 120 (one hundred and twenty) days (excluding any reasonable time taken to obtain requisite Approvals from Governmental Authorities) after the date of issuance of the Put Option Exercise Notice by the non-defaulting Party. The relevant party required under Applicable Law to procure any Approvals from any Governmental Authority for giving effect to the transfer of the Put Option Shares shall procure such Approvals at its cost and expense, and the other party selling or acquiring Securities hereunder, as the case maybe, shall provide reasonable co-operation to the aforementioned Party procuring such Approval.
- (d) The defaulting Party (and/or its Permitted Affiliates or nominees, as the case may be) shall pay the Put Option Price to the non-defaulting Party, and the non-defaulting Party shall be bound to absolutely and irrevocably transfer the Put Option Shares to the defaulting party (and/or its Permitted Affiliates or nominees, as the case may be) as set out in the Put Option Exercise Notice, free and clear of any Encumbrance (other than any Encumbrance created in accordance with the terms of this Agreement), and all actions as may be necessary to give effect to such transfer shall be duly completed.
- (e) The Board shall record the transfer of the Put Option Shares from the non-defaulting Party to the defaulting Party (and/or its Permitted Affiliates or nominees, as the case may be) and complete all corporate actions as applicable.
- (f) The non-defaulting Party shall provide customary representations, warranties and indemnities to the defaulting Party (and/or its Permitted Affiliates or nominees) in relation to: (A) its title to the Put Option Shares; (B) the Put Option Shares being free from all Encumbrances (other than any Encumbrance created in accordance with the terms of this Agreement); (C) Income Tax (in relation to the Put Option Shares); and (D) its power and authority to undertake the proposed transfer, and the validity and enforceability of their obligations in connection with the proposed transfer.

17. REPRESENTATIONS AND WARRANTIES AND COVENANTS

17.1 Each Party represents and warrants to the other Parties hereto that the following shall be true on and as of the Execution Date and as of the Effective Date with the same effect as if such representations and warranties have been made on and as of the Effective Date:

- (i) it is duly incorporated, established and organized, and is validly existing and in good standing under the laws of its relevant state and is duly registered and authorised to do and conduct its business;

- (ii) it has the full legal right, power, capacity and authority to enter into this Agreement and to perform its obligations under this Agreement in accordance with the terms herein;
- (iii) the execution and delivery of this Agreement and the performance by the Party of its obligations under this Agreement have been duly and validly authorised by all necessary corporate actions on its part;
- (iv) the execution, delivery and performance of this Agreement and the consummation by such Party of the transactions contemplated hereby does not conflict with or result in a violation of its constitutional documents or any agreement or arrangement to which such Party is a party, or any law, regulation, written order, ruling, decree, judgment or arbitration award to which the Party is subject, or constitute a default thereunder that could have a bearing on the condition of or on the ability of such Party to consummate the transactions contemplated hereby or requires the consent, approval or authorisation of any third party (including Governmental Authority);
- (v) the execution, delivery and performance of this Agreement and the consummation by such Party of the transactions contemplated hereby does not constitute an act of bankruptcy, preference, insolvency or fraudulent conveyance under any bankruptcy act or other Applicable Law for the protection of debtors or creditors and this Agreement upon execution by the authorised signatories of a Party shall constitute legal, valid and binding obligations of the Party, enforceable against it in accordance with its terms.

17.2 Covenants

- (i) During the term of this Agreement, Schloss and PHPL shall ensure that the Company and its agents or other parties acting on its behalf do not violate the Anti-Corruption Laws, Sanctions Laws, or Anti-Money Laundering Laws.
- (ii) Each of the Parties represents, warrants and covenants (as applicable) to the other Parties (with respect to itself) that:
 - (a) it is familiar with and shall comply with the requirements of all applicable Anti-Corruption Laws;
 - (b) it has not taken and shall not take any action that would cause the other Parties to be in violation of applicable Anti-Corruption Laws;
 - (c) it has not taken and shall not take any action in furtherance of an offer, payment, promise to pay, authorization, or ratification of the payment, directly or indirectly, of any Improper Payment, including a Government Official including any contribution to any political party;
 - (d) no Government Official shall receive any direct or indirect benefit from it in connection with the Company or its Business;
 - (e) it has conducted thorough due diligence with respect to all of its beneficial owners and has established the identities of all beneficial owners and the source of each of the beneficial owner's funds;
 - (f) it has no knowledge or reason to suspect that: (A) the monies used to fund its investment in the Company have been or shall be derived from or related to any illegal activities, including but not limited to, money laundering activities in violation of the Anti-Money Laundering Laws, or activities subject to the Anti-Corruption Laws; and (B) the proceeds from such Shareholder's investment in the Company has been or shall be used to finance any illegal activities or activities prohibited by the Anti-Money Laundering Laws and the Anti-Corruption Laws;

- (g) it is not, directly or indirectly, a Government Official, Governmental Authority or an instrumentality of a government;
 - (h) no Government Official has an ownership interest, whether direct or indirect in it;
 - (i) no proceeding by or before any Governmental Authority involving it or its Affiliates, with respect to the Anti-Corruption Laws, Sanctions Laws, or Anti-Money Laundering Laws is pending or threatened in writing; and
 - (j) it has not been: (A) targeted under any Sanctions Laws; or (B) in the past 5 (five) years, engaged in any business activities with or for the benefit of any persons that are the subject of Sanctions Laws (including any Sanctioned Person) or involving a Sanctioned Country, in violation of applicable Sanctions Laws.
- (iii) The Company and the Shareholders covenant with respect to itself / themselves and its / their respective shareholders, partners, managers, officers, directors, authorised agents, or employees, as applicable, that it / they shall not: (a) promise to make, or cause the payment of any Improper Payments, directly or indirectly: (A) to or for the use or benefit of any Government Official; and/or (B) to any other Person either for an advance or reimbursement, if it knows or has reason to know that any part of such payment will be directly or indirectly given or paid by such other Person, or will reimburse such other Person for payments previously made, to any Government Official; and/or (C) to any other Person or entity to obtain or keep business or to secure some other improper business advantage, in violation of applicable Anti-Corruption Laws; and/or (b) engage in business activities with or for the benefit of any Persons or countries that are subject to Sanctions Laws.
- (iv) If any Shareholder becomes a Governmental Authority or a Government Official during the term of this Agreement, such Shareholder shall notify the other Shareholder and the Company immediately so the other Shareholder and the Company may (and hereby reserve the right to) take whatever precautions and actions that may be appropriate to assure compliance with applicable Anti-Corruption Laws.
- (v) If a Government Official becomes associated with, or owns an interest, whether direct or indirect, in the Company and/or any of the Shareholders, the Company and/or such Shareholder (as the case may be) shall notify the other Shareholder immediately so that the other Shareholder may, and hereby reserve the right to, take whatever precautions and actions that may be reasonably appropriate to assure compliance with applicable Anti-Corruption Laws.
- (vi) The Company shall adopt the Anti-Corruption Policy and anti-corruption training program to ensure compliance with the Anti-Corruption Laws and will maintain a system of controls sufficient to deter and detect potential violations of Anti-Corruption Law, in each case to be prepared, from time to time, in conjunction with, and in a form and substance that is acceptable to Schloss. Without limiting the generality of the foregoing and to the extent not already implemented, the Shareholders shall take appropriate steps to cause the Company to adopt, implement and maintain the Anti-Corruption Policy to ensure compliance with all Anti-Corruption Laws. The Anti-Corruption Policy shall:
- (a) control the offering, giving, and receipt of gifts and entertainment, the payment of travel expenses, and the making of charitable and political contributions;
 - (b) require that all material contracts of the Company are in writing and that transactions and assets of the Company be recorded on the Company's books and records;
 - (c) provide that the Company: (A) conducts diligence on, and have anti-bribery and corruption contract terms in its agreements with, agents, consultants, distributors, lobbyists, contractors, and other relevant third parties, and (B) monitor their conduct

to promote their continued compliance with all Anti-Corruption Laws insofar as they are acting or purporting to act on behalf of the Company;

- (d) provide to relevant employees of the Company: (A) anti-bribery and corruption training at reasonable intervals; and (B) monitoring of their conduct to promote their continued compliance with all Anti-Corruption Laws;
 - (e) provide to relevant employees of the Company reasonable means to report internally, including anonymously (where allowed by Law), any concerns that they may have regarding conduct that may violate any Anti-Corruption Laws, encourage them to report any concerns they may have in that connection, and ensure that no one who reports such concern in good faith is subject to any form of retaliation as a consequence;
 - (f) be designed to ensure that any reports of conduct that may violate Anti-Corruption Laws are handled in a prompt and otherwise appropriate manner and that appropriate remedial steps or corrective actions are taken if such actions are determined, after investigation, to be needed;
 - (g) require appropriate internal financial controls (e.g., payments over certain thresholds to only be made by wire, check, credit card or similarly documented form of payment); and
 - (h) require that the anti-bribery and corruption program be periodically audited or reviewed and modified, as appropriate.
- (vii) The Shareholders shall adhere to and shall exercise their powers under this Agreement to ensure that the Company adheres to the Anti-Corruption Policy. No changes to the Anti-Corruption Policy shall be made without the written consent of Schloss. The Company shall forthwith provide the adopted Anti-Corruption Policy along with any amendments/modifications thereof, from time to time, to PHPL and Schloss.
- (viii) The Company shall immediately notify the Shareholders (in writing) of any violation or potential violation of the Anti-Corruption Policy, Anti-Corruption Laws, Sanctions Laws, or Anti-Money Laundering Laws by the Company, any of the Shareholders, their respective shareholders, partners, officers, directors, agents, employees and/or other Persons associated with, or acting on behalf of, the Company and/or the Shareholder(s).
- (ix) At each Board Meeting, the management team shall be directed to provide the Directors with: (a) a report in respect of the activities that have been carried out for the purpose of complying with Anti-Corruption Laws; (b) information related to any anti-bribery and corruption compliance concerns (e.g., inadequate staff or resources for compliance); and (c) such other information and documentation as any Director may reasonably request in connection with such compliance and implementation processes.
- (x) Each Shareholder shall be entitled to receive (and the Company shall deliver) detailed information relating to bribery and corruption risk, including, on a monthly basis, as soon as reasonably practicable after, and in any event within 30 (thirty) days following, the end of each calendar month the following information for that calendar month:
- (a) details of any payments made to Government Officials;
 - (b) details of any deviation from the contractual terms of payments to third parties and actual payments to third parties;
 - (c) details of payments of gifts, travel, or entertainment paid to any person;
 - (d) details of any anti-bribery and corruption training (e.g., participants);

- (e) a description of any extortion demands or other requests for Improper Payments; and
- (f) such other information as may be relevant to assessing the Company's bribery and corruption risk.

17.3 Prohibited Activities:

- (i) PHPL shall:
 - (a) Not engage, directly or indirectly, in Insider Trading using UPSI acquired through the Company or otherwise by virtue of its engagement with the Company.
 - (b) Not disclose UPSI to any third party, unless expressly authorized in writing by the Board and strictly required for the business purpose of the Company.
 - (c) Not recommend or induce any third party to engage in securities trading based on UPSI.
 - (d) Ensure that its directors, officers, employees, consultants, members, associates, agents and advisors ("**Representatives**") who may gain access to UPSI comply with the obligations under this Clause.
- (ii) PHPL acknowledges its duty to comply with the SEBI (Prohibition of Insider Trading) Regulations, 2015, and all applicable securities laws to the extent applicable to the securities of Schloss proposed to be listed on the recognized stock exchanges of India. PHPL agrees to acknowledge and abide and shall use its best efforts to cause its Representatives to abide by such policies and procedures as Schloss may adopt (and provided to PHPL or otherwise made available on the website of Schloss) and implement to ensure compliance, including but not limited to:
 - (a) Setting up trading window restrictions and obtaining pre-clearance for securities trading by any insider.
 - (b) Ensuring timely public disclosure of material information in compliance with applicable laws.
 - (c) Maintenance of confidentiality agreements and records of access to UPSI.
- (iii) PHPL agrees to maintain and shall use its best efforts to cause its Representatives to maintain the strict confidentiality of all UPSI and proprietary information obtained through the Company or otherwise by virtue of its engagement with the Company. This includes, but is not limited to, ensuring that:
 - (a) UPSI is disclosed internally only on a "need-to-know" basis.
 - (b) Robust data security measures are implemented to prevent unauthorized access.
 - (c) Written agreements are in place with employees, consultants, and third parties to ensure confidentiality and compliance with securities laws.
 - (d) Any accidental or unauthorized disclosure of UPSI is promptly reported to the Board, and PHPL shall take immediate corrective actions to mitigate any associated risks.
- (iv) PHPL shall immediately notify the Board of the Company in writing of any suspected or actual breach of this Clause or any applicable securities laws, including SEBI (Prohibition of Insider Trading) Regulations, 2015, by itself or its Representatives. The notification shall include all relevant details, including the nature of the suspected breach, the individuals involved, the date and time of the suspected breach and any other relevant information.

18. FALL AWAY OF RIGHTS

All of the rights of PIPL under this Agreement shall automatically fall away and cease to have any force or effect in the event PIPL holds less than 10% (ten percent) of the Share Capital of the Company on a Fully Diluted Basis, save and except its Pre-Emptive Right as set out in Clause 13 (*Pre-emptive Rights*), information rights as set out in Clause 14 (*Information and Access Rights*), and the PIPL Put Option as set out in Clause 12 (*PIPL Put Option*).

19. TERMINATION

19.1 Subject to Clause 19.2 (*Termination*) below, this Agreement shall terminate upon the occurrence of the earlier of the following:

- (i) automatically with respect to a particular Shareholder upon such Shareholder and its Permitted Affiliates ceasing to be a Shareholder of the Company; or
- (ii) by the written consent of all Parties;

in each case without prejudice to all of the rights and obligations accruing to each Party prior to such termination.

19.2 The provisions of this Agreement contained in Clause 1 (*Definitions and Interpretation*), Clause 20 (*Announcements & Confidentiality*), Clause 22 (*Notices*), Clause 23 (*Dispute Resolution*), Clause 24 (*Governing Law and Jurisdiction*), Clause 25 (*Miscellaneous*) and this Clause 19.2 (*Termination*) shall survive the termination of this Agreement.

20. ANNOUNCEMENTS AND CONFIDENTIALITY

20.1 For the purposes of this Agreement, “**Confidential Information**” shall mean all information disclosed by a Party (in each case “**Owner**”) to the receiving Party (“**Recipient**”) and all confidential and proprietary information of the Company and/or its Affiliates whether marked as confidential or not, in any form whatsoever (including, without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) including information relating to the business, clients, customers, affairs and finances of the Company and/or any of its Affiliates, management presentations, trade secrets, technical data, operational data, contracts and agreements, financial data, drawings, business plans, sales and marketing plans and any know-how relating to the business of the Company and/or its Affiliates or any of their suppliers, clients, customers, agents, distributors, shareholders or management. Notwithstanding the foregoing, information shall not be deemed Confidential Information, and the Recipient shall have no obligation with respect to any such information which:

- (i) is already known to the Recipient and/or its Affiliates whether as part of its business or otherwise or is hereafter received by the Recipient and/or its Affiliates from a third party source not obligated to the Owner to keep such information confidential, or was previously known or already in the lawful possession of a Party, prior to disclosure by any other Party hereto without any non-disclosure restriction and without breach of the confidentiality obligations hereunder; or
- (ii) is or becomes publicly known other than through an act or omission of or as a result of a disclosure by or at the direction of any Party or its representative in breach of the Transaction Documents; or
- (iii) is independently developed by the Recipient and/or its Affiliates without using the Confidential Information.

- 20.2 Subject to Applicable Law, each Party undertakes that it shall, at all times keep confidential (and shall procure that its respective directors, officers, employees and agents keep confidential) any Confidential Information which is in their possession or which they may acquire in relation to the other Party and shall not use or disclose such information.
- 20.3 Notwithstanding the foregoing, a Party may disclose, or permit the disclosure of:
- (i) Confidential Information that is required to be disclosed by Applicable Law or by a Governmental Authority or a Government Official, provided that, as far as legally permitted, the disclosing Party shall give prior written notice to the other Party prior to any such disclosure, and that receiving Party shall limit disclosure to such information as may be legally required;
 - (ii) Confidential Information that is required to be disclosed or used for the purpose of any judicial proceedings arising out of this Agreement or any agreement entered into, under or pursuant to this Agreement or to a Tax Authority in connection with the Tax affairs of the receiving Party, provided that, as far as legally permitted, the receiving Party shall give prior written notice to the other Party prior to any such disclosure, and that receiving Party shall limit disclosure to such information as legally required;
 - (iii) Confidential Information that is required to be disclosed by a Party to a professional advisor of such Party, only to the extent that such professional advisor cannot perform its functions without having access to the said information and where such recipients are bound by suitable confidentiality obligations;
 - (iv) Confidential Information to any of Schloss' shareholders, group companies including Affiliates or legal, Tax, financial or other professional advisors, or to any bank or financial institution or lender or potential acquirer of Securities;
 - (v) Confidential Information that is disclosed or used with the prior written approval of the disclosing Party; and
 - (vi) Confidential Information which is disclosed by any Party to any Person(s) for the purposes of exercising or enforcing any right under this Agreement or the other Transaction Documents (including, for the purposes of, or to facilitate, the performance of obligations or the exercise of rights under this Agreement or any other Transaction Documents).
- 20.4 Provided that, other than disclosures made in terms of Clause 20.3(i) (*Announcements and Confidentiality*) and Clause 20.3(ii) (*Announcements and Confidentiality*) above, all the disclosures are made on the basis that the information is treated as confidential by the recipient of such information and used by it only for the purpose for which it was disclosed and provided further that any information disclosed under Clause 20.3 (*Announcements and Confidentiality*) of this Agreement shall continue to be treated as Confidential Information hereunder despite the limited disclosure permitted under Clauses 20.3 (*Announcements and Confidentiality*) of this Agreement.
- 20.5 Notwithstanding the provisions of Clauses 20.1 (*Announcements and Confidentiality*) and 20.3 (*Announcements and Confidentiality*), no Party or its Affiliates shall make any formal or informal public announcement or press release which makes reference to the other Party and/or the terms and conditions of this Agreement or any of the matters referred to herein, without the prior written approval of the other Party, which approval shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, a Party may make an announcement relating to the Transaction Documents after Effective Date, if (and only to the extent) required by the Applicable Laws of any relevant jurisdiction or any Governmental Authority provided that prior written notice of any announcement required to be made is given to the other Parties, in which case such Parties shall jointly take all steps as may be reasonable in the circumstances to agree on the form and contents of such announcement with each other, prior to making such announcement..

20.6 Notwithstanding anything contained in this Agreement:

- (i) The Shareholders shall be entitled to use the Confidential Information of the Company for the purpose of and in relation to its Business.
- (ii) Disclosure by Schloss of any Confidential Information in any offer documents or other documents / materials in connection with any public offering of securities which may be prepared or issued by Schloss and/or its Affiliates, as is customary or desirable (in the opinion of Schloss or its Affiliates) for the purposes of any public offering of securities shall be permitted (and the other Parties shall provide any relevant information and documents (to the extent available with them), as may be requested by Schloss, for the purpose the making of the disclosures as abovementioned, including to use the logos, trade names and other related branding of or used by the Company, and for the purposes of complying with Applicable Laws or any directions or communications received from any Governmental Authority including any stock exchange from time to time).

21. NON-COMPETE

21.1 Until the earlier of termination of the Hotel Management Agreement and PHPL ceasing to be a Shareholder of the Company:

- (i) Schloss shall not (and shall ensure that any of its Affiliates shall not), directly or indirectly: (a) acquire any interest in any hotel or resort in the Territory under the "Leela" brand; (b) enter into any agreement with any person for (A) the acquisition of any interest in any hotel or resort in the Territory under the "Leela" brand; or (B) the management of any hotel or resort in the Territory under the "Leela" brand; (c) solicit, enter into or participate in any discussions or negotiations with any person in connection with any transaction or arrangement set out in Clause 21.1(i)(a) (*Non-Compete*) or Clause 21.1(i)(b) (*Non-Compete*); and (d) take any action to encourage or facilitate the making of any proposals or inquiries that may reasonably be expected to lead to any transaction or arrangement set out in Clause 21.1(i)(a) (*Non-Compete*) or Clause 21.1(i)(b) (*Non-Compete*).
- (ii) PHPL shall not (and shall ensure that the HOABL Group shall not) directly or indirectly: (a) acquire any interest in any hotel or resort in the Territory; (b) enter into any agreement with any person for (A) the acquisition of any interest in any hotel or resort in the Territory; or (B) the management of any hotel or resort in the Territory; (c) solicit, enter into or participate in any discussions or negotiations with any person in connection with any transaction or arrangement set out in Clause 21.1(ii)(a) (*Non-Compete*) or Clause 21.1(ii)(b) (*Non-Compete*); and (d) take any action to encourage or facilitate the making of any proposals or inquiries that may reasonably be expected to lead to any transaction or arrangement set out in Clause 21.1(ii)(a) (*Non-Compete*) or Clause 21.1(ii)(b) (*Non-Compete*).

21.2 Each of HOABL, PHPL and Schloss agree (having taken independent legal advice) that the undertakings contained in this Clause 21 (*Non-Compete*) are reasonable and necessary for the protection of the legitimate interests of the Company and that these restrictions do not work harshly on it. Each of PHPL and Schloss nevertheless agrees that: (i) if any such undertaking shall be found to be void but would be valid if some part were deleted, then such undertaking shall apply with such deletions as may be necessary to make it valid and enforceable; (ii) the value of the transactions contemplated under the Transaction Documents would be substantially diluted if the Parties violate any covenants set out hereunder; and (iii) the provisions of this Clause 21 (*Non-Compete*) and Clause 20 (*Announcements and Confidentiality*) are interdependent and inseparable from each other.

21.3 Each of PHPL and Schloss acknowledge and agree that the covenants and obligations set forth in this Clause 21 (*Non-Compete*) and Clause 20 (*Announcements and Confidentiality*) relate to special, unique and extraordinary matters, and agree that any breach, of any covenant contained in this Clause 21 (*Non-Compete*) and Clause 20 (*Announcements and Confidentiality*) of this Agreement would result in

irreparable injury and damage to the other Parties, and that the remedies available under Applicable Law for any such breach would be inadequate. Therefore, in the event of such breach by any of PHPL or Schloss, such Parties agree that in addition to, but not in lieu of, any other available remedies in Applicable Law, including monetary damages, the other Parties shall be entitled to obtain equitable relief in the form of specific enforcement, restraining order, temporary or permanent injunction or any other equitable remedy that may then be available to it. The rights and remedies of the Parties under this Clause 21 (*Non-Compete*) are cumulative and not alternative, and the exercise of one or more rights or remedies will not preclude the exercise of any other right or remedy available under this Agreement or Applicable Law.

22. NOTICES

- 22.1 All notices, requests, demands and other communications made or given under the terms of this Agreement or in connection herewith shall be in writing and in English signed by or on behalf of the Party giving it and shall be sent either: (i) by electronic mail; or (ii) if accompanied by email, through one of the following modes: (a) personally delivered; or (b) transmitted by registered mail or commercial courier, in each case addressed to the appropriate party at the following address or to such other address or place as such Party may from time to time designate:

Party	Address	Email	Marked for the attention of:
Company (prior to Effective Date)	3 rd Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra 400011	compliance@hoabl.in	Mr. Ashwinder Matharu
Company (after Effective Date)	Tower 4, Third Floor, Equinox Business Park, Kurla West, Mumbai 400 070, Maharashtra, India	ravi.shankar@theleela.com	Ravi Shankar
Schloss	Tower 4, Third Floor, Equinox Business Park, Kurla West, Mumbai 400 070, Maharashtra, India	ravi.shankar@theleela.com	Ravi Shankar
PHPL,	3 rd Floor, Lodha Excelus, Apollo Mills Compound, N. M. Joshi Marg, Mahalaxmi, Mumbai, Maharashtra 400011	compliance@hoabl.in	Mr. Rakesh Gupta

- 22.2 Unless another address has been specified by a Party hereto by written notice thereof to the other Parties, any notice, request, demand or other communication given or made pursuant to this Agreement shall be deemed to have been received:

- in the case of personal delivery or registered mail, on the date of actual delivery provided that such delivery shall be required to be followed by an electronic mail informing the intended recipient of the delivery;
- in the case of commercial courier, on receipt of a confirmation of successful delivery provided that such delivery shall be required to be followed by an electronic mail informing the intended recipient of the delivery; and

- (iii) in the case of electronic mail, 24 (twenty-four) hours after transmission or receipt of the acknowledgement, whichever is earlier.

23. DISPUTE RESOLUTION

- 23.1 In the event a dispute, difference, claim, or controversy arises in connection with the interpretation or implementation of this Agreement or the performance of any obligation hereunder (each a "**Dispute**"), the Parties shall attempt in the first instance to resolve such dispute through friendly consultations.
- 23.2 If the Dispute is not resolved through friendly consultations within 30 (thirty) days from the date of commencement of discussions or such longer period as the Parties agree in writing, then either Party may invoke this arbitration clause under notice to the other. The Dispute shall then be referred to and finally resolved by arbitration in accordance with the succeeding provisions of this Clause 23 (*Dispute Resolution*).
- 23.3 If the Dispute is not resolved as aforesaid, then such Dispute shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre in force at the relevant time ("**SIAC Rules**") (which is deemed to be incorporated into this Agreement by reference). Schloss shall be entitled to appoint 1 (one) arbitrator and PHPL shall be entitled to appoint 1 (one) arbitrator and the 2 (two) arbitrators so appointed shall jointly appoint a third arbitrator who shall preside as the chairman, failing which such third arbitrator shall be appointed in accordance with the Rules (collectively, "**Arbitral Tribunal**"). The seat of the arbitration shall be Singapore. The venue of the arbitration shall be New Delhi.
- 23.4 The arbitrators shall give a reasoned decision or award, including as to the costs of the arbitration, which shall be final and binding on the Parties.
- 23.5 The Parties shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this Agreement.
- 23.6 Each Party shall bear and pay its own costs, expenses, fees, disbursements and other charges of its counsel, in connection with the arbitration proceedings except as may be otherwise determined by the arbitrators.
- 23.7 If more than one arbitral proceeding has commenced between any or all of the Parties under the Transaction Documents, and a party that is a party to any such arbitral proceedings contends that two or more of such proceedings are substantially related and that the issues therein should be heard in 1 (one) proceeding, the proceedings should be consolidated in 1 (one) proceeding, provided that: (i) the arbitral tribunal has determined that such proceedings can be consolidated in 1 (one) proceeding; and (ii) no Party shall be required to bear any liability in respect of a claim that has not been made against it, merely on account of such consolidation of proceedings.

24. GOVERNING LAW AND JURISDICTION

This Agreement and the relationship between the Parties shall be governed by, and interpreted in accordance with, the laws of India. Subject to Clause 23 (*Dispute Resolution*), the Parties agree to be subject to the exclusive jurisdiction of the courts in New Delhi.

25. MISCELLANEOUS

25.1 Entire Agreement

This Agreement and other Transaction Documents set out the entire agreement and understanding

between the Parties with respect to the subject matter hereof. This Agreement supersedes all previous letters of intent, confidentiality agreements, heads of terms, memorandum of understanding, prior discussions and correspondence exchanged between any of the Parties in connection with the transactions referred to herein, including but not limited to the term sheet dated 4 September 2024.

25.2 Further Assurance

Each of the Parties agree to do all such further acts and things and exercise all voting rights and powers, whether direct or indirect, available to it in relation to any Person and to execute and deliver all such additional documents as are necessary or required to give full effect to the terms of this Agreement.

Notwithstanding the generality of the foregoing, each Shareholder undertakes to ensure that such Shareholder, its nominated Directors and its representatives or proxies representing it at Shareholders' Meetings shall at all times exercise their votes in such manner so as to comply with, and to fully and effectually implement the spirit, intent and specific provisions of this Agreement.

25.3 No Partnership

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/ itself out as an agent for the other Parties.

25.4 Counterparts

This Agreement may be executed in any number of originals or counterparts, each in the like form and all of which when taken together shall constitute one and the same document, and any Party may execute this Agreement by signing any one or more of such originals or counterparts. The delivery of signed counterparts by electronic mail in "portable document format" (".pdf") shall be as effective as signing and delivering the counterpart in person, *provided that*, nothing contained in this Clause 25.4 (*Counterparts*) shall be applicable to the manner in which Notices are required to be given under Clause 22 (*Notices*).

25.5 Specific Performance

The Parties agree that damages may not be an adequate remedy, and the Parties may be entitled to an injunction, restraining order, right for recovery, specific performance or other equitable relief to restrain any breach or enforce the performance of the covenants, representations, warranties and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies that the Parties may have under Applicable Law.

25.6 Amendments

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

25.7 Assignment

Subject to the provisions of this Agreement, this Agreement is personal to the Parties and shall not be capable of assignment, except with the prior written consent of the other Parties. Notwithstanding the foregoing but subject to the provisions of this Agreement, it is clarified that a Shareholder shall be permitted to assign and transfer its rights under this Agreement to any Person acquiring its Securities in accordance with the terms of this Agreement, save and except: (a) as set out in Clause 6.3(ii), and (b) the Affirmative Vote Items set forth in Paragraph 19 of Schedule 2 (*Affirmative Vote Items*).

25.8 Waiver

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 a duly authorised representative of the waiving Party. Neither the waiver by any of the Parties of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the Parties, on one or more occasions, to enforce or timely enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder.

25.9 Severability

If any provision of this Agreement is or becomes invalid, illegal or unenforceable under the laws of any jurisdiction, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement, which shall not in any way be affected or impaired. The Parties hereto shall then negotiate and replace the invalid or unenforceable provisions with a valid and enforceable and mutually satisfactory substitute provision, achieving as nearly as possible the intended commercial effect of the invalid, illegal or unenforceable provision.

25.10 Expenses

Each Party shall bear their respective fees, costs and expenses incurred in connection with the preparation, execution and performance of this Agreement and the transactions contemplated hereby, including all fees and expenses of agents, representatives, counsel and accountants. The Company shall bear the stamp duties payable on this Agreement.

25.11 Payments

All amounts payable under this Agreement shall be in accordance with Applicable Law and subject to deduction of applicable Tax.

25.12 Conflict with the Articles

The Parties agree that to the extent the Articles (including for avoidance of doubt, the Amended Articles) are in conflict with or are inconsistent with the terms and conditions of this Agreement, the provisions of this Agreement shall prevail and the Parties shall take such steps as may be reasonably necessary to alter the Articles (including for avoidance of doubt, the Amended Articles) as soon as is practicable prior to any further action, so as to eliminate such conflict or inconsistency.

[This space has been intentionally left blank]

SCHEDULE 1

PART A: SHAREHOLDING PATTERN AS ON THE EXECUTION DATE

Shareholder	Shares	Number	Percentage Shareholding
PHPL	Equity Shares	9,999	99.99%
Mr. Rakesh Ramdas Gupta (Nominee of PHPL)	Equity Shares	1	0.01%
PHPL	CCPS	12,00,00,000	100%
	Total	12,00,10,000	

PART B: SHAREHOLDING PATTERN ON THE EFFECTIVE DATE

Shareholder	Equity Shares	Preference Shares	Equity Percentage Holding	Preference Shares Percentage Holding
PHPL	9,999	12,00,00,000 Series A CCPS	23.99%	80.02%
Mr. Rakesh Ramdas Gupta (Nominee of PHPL)	1	-	0.01	-
Schloss	31,662	2,99,68,333 Series B CCPS	76%	19.98%
Schloss Gandhinagar Private Limited (Nominee of Schloss)	1	-	0%	-
Schloss Tadoba Private Limited (Nominee of Schloss)	1	-	0%	-
Tulsi Palace Resort Private Limited (Nominee of Schloss)	1	-	0%	-
Leela Palaces and Resorts Limited (Nominee of Schloss)	1	-	0%	-
Schloss FIMA Private Limited (Nominee of Schloss)	1	-	0%	-
Total	41,667	14,99,68,333	100%	100%

SCHEDULE 2

AFFIRMATIVE VOTE ITEMS

1. Amendment of the memorandum of association or Articles of the Company which has a material adverse impact on PHPL or Schloss except: (i) as expressly permitted or otherwise contemplated under this Agreement or any other Transaction Documents, or (ii) as required in connection with any External Debt availed by the Company in accordance with this Agreement.
2. The Company entering into any transaction with a Related Party which is not on arm's length basis (except the Hotel Management Agreement, Technical Services Agreement and otherwise as expressly permitted or otherwise contemplated under this Agreement or any other Transaction Documents).
3. Any issuance or allotment of any Securities, except (i) in accordance with Clause 7 (*Equity Commitment*); (ii) in accordance with Clause 13 (*Pre-emptive Rights*) save and except any issuance of Securities to a Third Party Subscriber, (iii) pursuant to any stock option programs or issuance of any stocks and stock options to employees of the Company; (iv) issuance of equity shares pursuant to the conversion of any Securities convertible into equity shares; (v) issuance of any Securities pursuant to the exercise by any lender of the Company of its rights in relation to any borrowing or indebtedness availed by the Company, (vi) issuance of any Securities pursuant to Clause 8.1(ii) (*Shareholder Loans*), (vii) issuance of any Securities pursuant to any scheme of merger or amalgamation approved in accordance with this Agreement, and/or (viii) any consolidation or sub division of an entire class of Securities.
4. Issuance of non-convertible securities except: (i) in accordance with the provisions of this Agreement, (ii) if the relevant Shareholder is entitled to subscribe to such non-convertible securities on a *pro-rata* basis in the manner set out in Clause 8.1(iii)(a) (*Shareholder Loans*); and/or (iii) issuance of non-convertible securities pursuant to Clauses 8.1(iii)(e)(x)(B), 8.1(iii)(e)(y)(B) and 8.1(iii)(f)(B).
5. Any amendments in the terms of any Securities issued by the Company.
6. Any creation of new lines of business/ acquisition of new businesses (including through joint ventures, subsidiaries, investments in other entities / ventures or partnerships), in each case other than any business/ activity which is incidental or ancillary to the Hotel, and other than business contemplated in the main objects clause of the memorandum of association of the Company as applicable to the Hotel.
7. Approval/ amendment of the dividend policy to be adopted by the Company, and the declaration or payment of dividends or other distributions other than in accordance with the dividend policy to be adopted by the Company.
8. Creation of security interests over the Hotel or giving of any guarantee by the Company, in each case, for securing obligations of any third party.
9. Sale or disposal of the Hotel or sale of all or substantially all the assets of the Company, except any sale pursuant to Clause 11.2 (*Drag-Along Right*).
10. Any merger, demerger, amalgamation, consolidation, or restructuring of the Company that results in: (i) change of Control of the Company; or (ii) a dilution of PHPL's shareholding in the Company.
11. Any voluntary dissolution, voluntary winding up or voluntary liquidation of the Company, and including any re-organization which has an effect of any of the foregoing.
12. Granting any waiver of a failure by the Operator of the Performance Test (as defined in Clause 14 of the *Hotel Management Agreement*), or (b) Agreeing to any changes to, or deviations from, the definitions of the terms 'Net Operating Profit', 'Annualized RevPAR' or 'Gross Operating Profit' (each term as defined in the *Hotel Management Agreement*).

13. Any termination of the Transaction Documents except in accordance with the terms thereof.
14. Any amendment or modification of the Transaction Documents.
15. Appointment or replacement of the Company's statutory auditor in the event that any person other than an Independent Valuer is to be appointed as the Company's statutory auditor.
16. Creation of any employee stock option plan or creation of any stock option pool by the Company exceeding 5% (five percent) of the Share Capital.
17. Writing off of any of the Company's trade receivables, loans, or advances amounting to greater than INR 2,00,00,000 (Indian Rupees Two Crores only) (in aggregate) from any Related Party or Affiliate.
18. Writing off of investments made by the Company in a Related Party of an amount greater than INR 2,00,000 (Indian Rupees Two Lakhs only) (in aggregate).
19. For so long as HQABL Shareholders hold, directly or indirectly, at least 51% (fifty one percent) of the legal and beneficial ownership of PHPL and have, jointly or severally, the right to appoint or remove the majority of the members of the board of directors of PHPL and the right or power to direct, whether directly or indirectly, the policy decisions, operations and management of PHPL:
 - (a) the settlement of any litigation concerning the Hotel Land.
 - (b) the acquisition by the Company after the Effective Date, of any immovable property(ies), if the aggregate price of such immovable property(ies) to be paid by the Company exceeds INR 20,00,00,000 (Indian Rupees Twenty Crores only).
20. Entering into any agreements in relation to the above.

SCHEDULE 3

FORMAT OF DEED OF ADHERENCE

[Note: This Deed of Adherence shall be appropriately customised for primary issuance and transfer of Securities by any Shareholder or its nominees]

THIS DEED OF ADHERENCE (this "Deed") is entered into at [●] this [●] day of [●], 20[●]

BY:

[●] *<To specify the name, address and description of the new shareholder(s) purchasing Securities in the Company>* (hereinafter referred to as "the New Shareholder", which expression shall be deemed to include, unless repugnant to the meaning or context thereof, his/her/its executors, successors and permitted assigns) of the First Part;

WHEREAS:

- 1.1 Buildminds Real Estate Private Limited ("Company") and its shareholders are party to a Shareholders' Agreement dated [●] (hereinafter referred to as the "Agreement" which shall be deemed to include any amendment, replacement or substitution of the said agreement), a copy of which is annexed hereto as **Annexure 1**;
- 1.2 Each of [●] became a party to the Agreement pursuant to a deed of adherence dated [●] entered into among [●] and each of the current parties to the Agreement are listed in **Annexure 2** hereto;
<Delete, if inapplicable>
- 1.3 Pursuant to a *[insert details of the agreement/arrangement under which the New Shareholder is subscribing/ acquiring Securities]* (the "New Agreement"), the New Shareholder proposes to acquire *[insert the number and type of Shares]* (the "Securities") of the Company, [from *[insert name]* (the "Selling Shareholder") *<Delete, if inapplicable>*];
- 1.4 As contemplated under the Agreement, prior to the acquisition of the Securities by the New Shareholder, the New Shareholder is required to enter into this Deed.
- 1.5 This Deed shall be supplemental to the Agreement.

NOW THIS DEED WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. Definitions and Interpretation

- 1.1 Capitalised terms used but not defined in this Deed shall, unless the context otherwise requires, have the respective meaning ascribed thereto in the Agreement.

2. Terms of Adherence

- 2.1 The New Shareholder hereby acknowledges that it has received, read and understood the Agreement and Memorandum and Articles.
- 2.2 The New Shareholder hereby agrees, undertakes and covenants with the Company and each other Party to the Agreement that with effect from the date on which the New Shareholder is registered as a member of the Company, it shall adhere to and be bound by and act in accordance with:
 - 2.2.1 the Memorandum and Articles; and

- 2.2.2 the provisions of the Agreement which were applicable [to the Selling Shareholder] and are capable of applying to the New Shareholder as if the New Shareholder were a party to the Agreement [in place of / in addition to] *<Delete / retain depending on whether all or some of the Selling Shareholder's Securities are being sold and the applicable provisions of the Agreement.>* the Selling Shareholder.
- 2.3 The New Shareholder hereby covenants that it shall do nothing that derogates from the provisions of the Agreement and the Memorandum and Articles.
- 2.4 The New Shareholder further confirms and recognises that the Company shall not be bound to give effect to any act or voting rights exercised by the New Shareholder which are not in accordance with the Agreement.
- 2.5 This Deed is made for the benefit of: (i) the original Parties to the Agreement; and (ii) any other Person or Persons who after the date of the Agreement (and whether or not prior to or after the date of this Deed) adhere to the Agreement.
- 3. Representations and Warranties**
- 3.1. The New Shareholder hereby represents and warrants to the Company and each other Party to the Agreement that:
- 3.1.1 It is duly incorporated and validly existing as a corporation under the laws of its place of incorporation and has full power, capacity and authority to execute, deliver and perform this Deed and has taken all necessary actions (corporate, statutory or otherwise) to execute and authorise the execution, delivery and performance of this Deed; *<To be modified appropriately if the New Shareholder is an individual>*
- 3.1.2 This Deed upon execution and delivery by it shall constitute a legal and binding obligation on it enforceable against it in accordance with its terms;
- 3.1.3 The discharge by it of the obligations and liabilities under the Agreement and the performance by it of the acts and transactions contemplated hereby do not and will not (whether with or without the giving of notice or lapse of time or both), violate, conflict with, require any consent under or result in a breach of or default under:
- (a) any Law to which it is subject; or
- (b) any term, condition, covenant, undertaking, agreement or other instrument to which it is a party or by which it is bound;
- 3.1.4 There are no legal, quasi-legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions, governmental investigations, orders, judgments or decrees of any nature made, existing, threatened, anticipated or pending against it which may prejudicially affect its holding of the Securities or the due performance or enforceability of the Agreement or this Deed or any obligation, act, omission or transaction contemplated thereunder or hereunder.

4. Incorporation of Provisions of the Agreement

This Deed is supplemental to the Agreement and the provisions of Clause 1 (*Definitions and Interpretation*), Clause 22 (*Notices*), Clause 23 (*Dispute Resolution*), Clause 24 (*Governing Law and Jurisdiction*), and Clause 25.7 (*Assignment*) of the Agreement shall apply *mutatis mutandis* to this Deed and shall be deemed to be incorporated herein by reference as if the same were reproduced herein with references therein to this Agreement being references to this Deed.

5. **Notices to the New Shareholder**

The address of the New Shareholder for the purpose of receiving the notices under the Agreement is as under:

New Shareholder

Kind Attention : [●] <Insert details>
Address : [●] <Insert details>
Facsimile : [●] <Insert details>

6. ***[This clause is only to be included where the New Shareholder is a Permitted Affiliate of the Transferor]*** The New Shareholder and the transferor shareholder ("Transferor") recognise that the acquisition of Securities has been permitted on the sole ground that the New Shareholder is a Permitted Affiliate of the Transferor. The New Shareholder and the Transferor covenant that in the event that the New Shareholder ceases to be a Permitted Affiliate of the Transferor, prior to such cessation, the New Shareholder shall transfer to the Transferor, and the Transferor shall acquire from the New Shareholder, all Securities in the Company as may be held by the New Shareholder. Pending such acquisition, all beneficial interest in such Securities shall vest in the Transferor with immediate effect, and the Transferor shall, and the New Shareholder shall not, be entitled to exercise all rights attached to or otherwise arising out of the holding of the Securities.

IN WITNESS WHEREOF, this Deed has been executed on the day and year first above written.

SIGNED by the within named "**Company**"
through its authorized signatory
Mr [●]

SIGNED by the within named "**New Shareholder**"
[Insert the name of the New Shareholder]
through its authorized signatory
Mr [●]

Working Notes:

- (i) Content in square brackets (i.e., "[]") to be struck off, in full or in part, in case the same is inapplicable.
(ii) Content in angle brackets (i.e., "<>") is for guidance

SCHEDULE 4

DETERMINED VALUE


The Determined Value in respect of any Securities is such price per Security as shall be determined by an Independent Valuer (appointed by the relevant Party in accordance with the terms of this Agreement) in accordance with the following:

1. The Independent Valuer must (if practicable) have experience and expertise in valuing companies operating in the same (or similar) business sectors and geographic areas as the Company.
2. The Determined Value for each Security (a "Valued Security") will be the value which the Independent Valuer states in writing to be, in their opinion, the Determined Value of the Security. For the purpose of determining the Determined Value of the Valued Security, the Independent Valuer must be instructed to conduct the valuation on the following basis:
 - (a) in accordance with the income based approach outlined in valuation standards, practices and principles of the International Valuations Standards Council;
 - (b) having regard to the rights and restrictions attached to the Valued Security;
 - (c) assuming that a reasonable time is available in which to sell the Valued Security in an open market (and for that purpose 90 (ninety) Business Days is considered a reasonable time);
 - (d) if the Company is then carrying on business as a going concern, assuming that it will continue to do so;
 - (e) subject to the above, on any basis the Independent Valuer considers appropriate; and
 - (f) the Determined Value must be expressed as a single amount and not as a range of values.
3. The Company must, and the Shareholders must procure that the Company shall, promptly provide, to the Independent Valuer:
 - (a) all information and assistance (including assistance from its employees); and
 - (b) access to and the right to take copies of books and records of account, documents, files, working papers and information stored electronically,which the Independent Valuer reasonably requires to make its determination.
4. The Independent Valuer must be engaged to act on the following basis:
 - (a) the Independent Valuer must act as expert and not as arbitrator;
 - (b) the terms of reference of the Independent Valuer must be as set out in paragraph 2 above;
 - (c) the Independent Valuer is entitled (to the extent they consider it appropriate) to base their determination on the information provided under paragraph 3 above, any written submissions made by the Parties, and on the accounting and other records of the Company;
 - (d) the Independent Valuer must be instructed to deliver their determination of Determined Value as soon as reasonably practicable and in any event within 20 (twenty) days of their appointment;

- (e) the determination of the Independent Valuer will (in the absence of fraud or manifest error) be final and binding and may not be challenged or appealed; and
- (f) the costs of determination, including fees and expenses of the Independent Valuer (but excluding the Parties' own costs, which must be borne by the Party incurring those costs), must be borne, (i) in case of Clause 7.3, by Schloss, (ii) in case of Clause 9.3(iii), by PHPL; (iii) in case of Clause 12 (*PHPL Put Option*), by PHPL and Schloss for the respective Independent Valuers appointed by them, and (iv) in case of Clause 16 (*Consequences of an Event of Default*), by the defaulting Party.

This Agreement has been signed by the duly authorised representatives of the Parties the day and year first before written.

FOR AND ON BEHALF OF PRAVALAH HOSPITALITY PRIVATE LIMITED


Name & Designation: Rakesh Gupta, Director
Authorized Signatory



This Agreement has been signed by the duly authorised representatives of the Parties the day and year first before written.

FOR AND ON BEHALF OF SCHLOSS BANGALORE LIMITED

Ravi Shankar



Name & Designation: Ravi Shankar – Head of Asset Management & CFO

Authorised Signatory

This Agreement has been signed by the duly authorised representatives of the Parties the day and year first before written.

FOR AND ON BEHALF OF BUILDMINDS REAL ESTATE PRIVATE LIMITED



Name & Designation: K.N. Sumanathan, Director

Authorized Signatory

