# Definitions

In this Agreement, except as otherwise provided, capitalized terms shall have the meaning assigned to them herein below:

“**Affiliate**” : in relation to a Person, being a corporate entity, means any entity,

which Controls, is Controlled by, or is under the common Control of such Person.

“**Agreement**” : means this shareholders agreement and shall include any schedules

that may be annexed to this agreement now or at a later date and

any amendments made to this agreement by the Parties in writing.

“**Agreement Date**” : means the date on which this Agreement is duly executed amongst

the Parties.

“**Applicable Laws**” : shall mean all applicable statutes, ordinances, rules by laws, regulations, notifications, guidelines, policies, directions, judgements, directives and order of any Governmental Authority.

# “Applicable Laws and Regulations”

: shall have the meaning ascribed to it in Paragraph 1.1 to Schedule III of this Agreement.

“**Articles**” : shall have the meaning ascribed to it in the Share Purchase

Agreement.

“**Board**” : means the board of Directors of the Company from time to time. “**Business**” : means, in relation to the Company, the business of generation and

sale of power from its 15 (fifteen) MW solar photovoltaic power

plant situated at Gujarat Solar Park, Village – Charanka, Taluka – Santhalpur, District – Patan, Gujarat.

“Business Day” :

“**Claims Notice**” : shall have the meaning ascribed to it in Clause 8.2 of this

Agreement.

“**Companies Act**” : means the (Indian) Companies Act, 2013 (to the extent notified by

the Government of India and currently in force), and the (Indian) Companies Act, 1956, to the extent not repealed and replaced by notified provisions of the (Indian) Companies Act, 2013 and any amendment thereto or any other succeeding enactment for the time being in force.

“**Compliance Breach**” : shall have the meaning ascribed to it in Paragraph 1.11 of

Schedule III to this Agreement.

# “Confidential Information”

: shall mean all information relating to the Business, the Company, the Sellers and/or the Acquirers and this Agreement.

“**Control**” : including, with its correlative meanings, the terms “*Controlled by*”

and “*under common Control*”, shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of any entity, whether through: (a) the

ownership of more than 50% (fifty percent) of the voting securities of such entity, (b) the right to appoint more than 50% (fifty percent) of the members of the board of directors of such entity,

(c) contract, or (d) otherwise.

“**Designated Person**” : shall have the meaning ascribed to it in Paragraph 1.3 (b) (iii) of

Schedule III to this Agreement.

“**Director**” : means a director of the Company appointed in accordance with

this Agreement, the Articles and the Companies Act.

“**Dispute**” : shall have the meaning ascribed to it in Clause 10.13.1 of this

Agreement.

# “Disputing Party/Parties”

: shall have the meaning ascribed to it in Clause 10.13.1 of this Agreement.

“**Effective Date**” : shall have the meaning ascribed to it in Clause 2.2 of this

Agreement.

“**Equity Share**” : means the equity shares of the Company having face value of INR 10/- (Indian Rupees Ten only) each.

# “EquityShare Capital”

: means the fully diluted equity share capital of the Company from time to time during the pendency of this Agreement.

# “Financial Statements”

: means in relation to any Financial Year, the audited financial statements of the Company, comprising in each case, an audited balance sheet, profit and loss account cash flow statement and the related audited statement of income together with the auditor’s report thereon and notes to it.

“**Financial Year**” : means the period commencing from 1 April of one year and

ending on 31 March of the immediately succeeding year.

“**Indemnified Party**” : shall have the meaning ascribed to it in Clause 8.1 of this

Agreement.

# “Government Official”

: shall have the meaning ascribed to it in Paragraph 1.2 to Schedule III of this Agreement

“**Losses**” : shall mean any and all direct, actual and suffered losses, liabilities,

claims, demands, fines, damages resulting or arising from third party claims, including penalties with respect thereto, costs, expenses and any other reasonable out-of-pocket expenses (including, legal fees/professional fees). Any indirect, remote, incidental, punitive, exemplary or consequential losses including loss of profit, loss of business or loss of goodwill shall not be included in the term losses as used in this Agreement.

“**Observer**” : shall have the meaning ascribed to it in Clause 4.9 of this

Agreement.

“**Other Partners**” : shall have the meaning ascribed to it in Schedule III to this

Agreement.

“**Person**” : shall have the meaning ascribed to it in the Share Purchase

Agreement.

“**Prohibited Payment**” : shall have the meaning ascribed to it in Paragraph 1.3 (a) of

Schedule III to this Agreement

# “Prohibited Transaction”

: shall have the meaning ascribed to it in Paragraph 1.3 (b) of Schedule III to this Agreement

“**Project Agreements**” : shall have the meaning ascribed to it in the Share Purchase

Agreement.

“**Request**” : shall have the meaning ascribed to it in Clause 10.13.1 of this

Agreement.

“**Sale Shares**” : shall have the meaning ascribed to it in the Share Purchase

Agreement.

“**Sellers**” : shall have the meaning ascribed to it in Recital (B) of this

Agreement.

“**Shares**” : means all classes of shares of the Company, including all other

kinds of securities, warrants or options convertible into Equity Shares.

“**Shareholder**” : means a Person who holds Equity Shares and in whose name

Equity Shares are registered in the Company’s register of members and who becomes a party to this Agreement in accordance with the terms of this Agreement.

“**Tax**” : shall have the meaning ascribed to it in the Share Purchase Agreement.

“**Transaction”** : shall have the meaning ascribed to it in Paragraph 1.3 (a) of

Schedule III to this Agreement.

“**Transfer**” : includes:

1. any transfer or other disposition of the Shares or voting interests or any interest therein, including, without limitation, by operation of law, by court order, by judicial process, or by foreclosure, levy or attachment;
2. any sale, assignment, gift, donation, redemption, conversion or other disposition of such Shares or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such Shares or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value;
3. the granting of any Encumbrance in, or extending or attaching to, such Shares or any interest therein.

“**Transferee**” : shall have the meaning ascribed to it in Clause 6.2.2 of this

Agreement.

# Interpretations

In this Agreement, unless the context otherwise requires:

* + 1. references to statutes or statutory provisions include references to any orders or regulations made thereunder and references to any statute, provision, order or regulation include references to that statute, provision, order or regulation as amended, modified, re- enacted or replaced from time to time whether before or after the date hereof (subject as

otherwise expressly provided herein) and to any previous statute, statutory provision, order or regulation amended, modified, re-enacted or replaced by such statute, provision, order or regulation;

* + 1. headings to clauses, paragraphs and descriptive notes in brackets are for information only and shall not form part of the operative provisions of this Agreement and shall be ignored in construing the same;
    2. references to recitals, clauses and schedules are to recitals, clauses and schedules to this Agreement. All of these form part of the operative provisions of this Agreement and references to this Agreement shall, unless the context otherwise requires, include references to the recitals, clauses and schedules to this Agreement;
    3. the words “*including*” and “*inter alia*” shall be deemed to be followed by “*without limitation*” or “*but not limited to*” whether or not those words are followed by such phrases or words of like import;
    4. any reference to a document in agreed form is to a document in a form agreed between AES Mauritius and the Acquirers;
    5. references to the singular number shall include references to the plural number and vice versa;
    6. words denoting one gender shall include all genders; and
    7. the doctrine of *contra proferentem* shall not apply to this Agreement.