



दिल्ली DELHI

D 554973

Business Transfer Agreement

This Agreement is made as of this 15th day of October, 2007;

BETWEEN

A.K Industries, a proprietorship concern of Pramod Chand Jain & Sons(HUF) having its office at D-4, Rajouri Garden New Delhi 110027 represented by Karta Mr Rajesh Jain, as duly authorised by the said firm, hereinafter referred to as "AKI", which expression, unless repugnant to the context, shall include its successors and permitted assigns.

AND

Neolite Industries Private Ltd , a company incorporated under the Companies Act, 1956 and having its registered office at D-4, Rajouri Garden , New Delhi-110027, represented by its Director, Mrs. Vaishali Jain, hereinafter referred to

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For A.K. INDUSTRIES
Prop. Pramod Chand Jain & Sons HUF

[Signature]
Director

For NEOLITE INDUSTRIES PRIVATE LTD.

[Signature]
Director

as the "NIPL", which expression, unless repugnant to the context, shall include its successors and permitted assigns.

NIPL and AKI are referred to herein individually as 'Party' and collectively as 'Parties'.

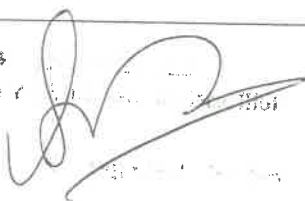
WHEREAS

- A. AKI is a leading manufacturing concern primarily engaged in the business of job work of automotive lighting and components.
- B. NIPL is also a leading manufacturing company primarily engaged in the business of automotive lighting and homelighting.
- C. NIPL proposes to expand its business of automotive lighting and proposes to buy the whole of Business (as defined hereinafter) of AKI and AKI for strategic considerations has decided to sell the whole of the Business as a going concern on slump sale basis.
- D. The Parties have confirmed that they have passed necessary resolutions to sell / purchase the Business,

NOW THEREFORE THIS AGREEMENT WITNESSETH AND THE PARTIES AGREE TO AS UNDER:

ARTICLE 1: DEFINITIONS

- 1.1 In this Agreement (including the Recitals), unless the context requires otherwise, the following words and expressions shall have the meaning set out against them respectively



Director



- (a) "Business" means AKI business of automotive lighting comprising of assets (other than immovable properties), liabilities, contracts, equipment, employees and Trade Marks/ brands held and used by AKI only in class 11 in India as set out in Schedule 1 of this Agreement. (Other Trade Mark /Brand rights held by AKI will not be transferred to NIPL)
- (b) "Closing" means the date on which all the activities listed in Article 6.2 are completed which is not later than the date of execution of this Agreement.
- (c) "Tax" means (i) any tax, governmental fee or other like assessment or charge of any kind whatsoever including inter-alia income tax, wealth tax, stamp duty, import duties, Vat, service tax etc., together with any interest, penalty, addition to tax or additional amount imposed by any Governmental Entity (domestic or foreign) responsible for the imposition of any such tax and (ii) any liability for the payment of any amount of the type described in the immediately preceding clause.

ARTICLE 2: SALE AND PURCHASE OF BUSINESS

- 2.1 Subject to the terms and conditions contained herein, AKI hereby agrees to sell, assign, convey, deliver and/ or transfer to NIPL and NIPL hereby agrees to purchase the Business as a going concern on slump sale basis free from all liens, charges, equities and encumbrances with effect from the Closing.
- 2.2 At Closing, AKI as the beneficial owner shall assign, transfer, deliver and convey to NIPL all its rights, title and interest in the Business (other than rights in Land & Building). Any document/ agreement/

deed/assignment as may be required by the NIPL to assure itself of full and complete title as contemplated herein shall be executed by AKI immediately on demand by NIPL. Further at Closing, upon transfer of the Business:

- a) all agreements, deeds, permits and other instruments of whatever nature whether previously disclosed to NIPL or not;
- b) all authorizations, telephone connections and all other claims, rights, liberties, easements advantages, benefits, approvals and privileges of any kind whatsoever whether previously disclosed to NIPL or not;
- c) all insurance policies in respect of or relating to the Business.
- d) All employees as per list provided in Schedule 2

shall stand transferred to and vest in NIPL, subject to such statutory and regulatory approvals, third party consent and/or compliances as may be applicable. All such approvals, third party consents and compliances required for this purpose shall be obtained/ undertaken by AKI.

It is agreed by the Parties that the relevant contracts for engagement of contract labour (i.e. workers) by AKI through contractors for automotive lighting business will not be automatically transferred to NIPL pursuant to this Agreement. If agreed by NIPL, fresh contracts will be signed for engagement of such contract labour and for that purpose, NIPL will obtain fresh registration and the concerned contractors will obtain fresh licences from the appropriate labour authorities.

e) The Parties agree that the said employees of AKI shall be transferred to NIPL, on same terms and conditions as applicable to them in AKI and the seniority and continuation of services shall be maintained.

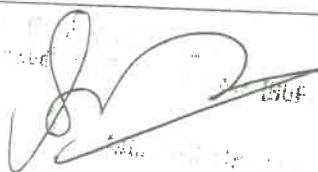
2.3 All or any sums realized or collected by AKI subsequent to Closing in respect of any of the assets or claims relating to the Business transferred shall be held in trust for the NIPL and shall be remitted to NIPL as soon as possible. All or any payments to be made by AKI in the ordinary course of carrying of business comprised in the Business subsequent to Closing relating to the Business, shall be paid by NIPL.

2.4 It has been also agreed and understood between the parties to relocate the Business to a new location as per the business plan of NIPL.

ARTICLE 3: SOLE AND ENTIRE CONSIDERATION

The consideration for transfer of business of AKI to NIPL has been settled at Rs 2.7 Million between the parties. As sole and entire consideration for the transfer of the Business, NIPL shall allot 27000 Equity shares of Rs. 100/- each at face value to Pramod Chand Jain & Sons (HUF) – Karta Rajesh Jain. The Parties agree that the consideration is adequate and shall be final between the Parties for performance of this Agreement, deductions wherefrom shall be made only as expressly agreed in this Agreement.

The Parties agree that the Consideration paid under this Agreement is towards full and final settlement for transfer of Business. AKI shall not be responsible for any employee dues or liabilities in relation to Business which may arise with NIPL in due course subsequent to Closing.



For NIPL

Director / Managing Director


ARTICLE 4: REPRESENTATIONS AND WARRANTIES OF AKI

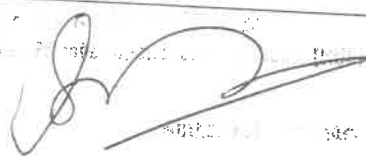
AKI hereby represents and warrants to NIPL true, accurate, and complete in all material respects as of the date hereof the following:

4.1 No Conflict

- (a) The execution, delivery and performance by AKI of this Agreement and the consummation of the transactions contemplated hereby require certain filings with a legislative or executive or regulatory authority or agency of India (or any other state or other political subdivision thereof) ("Governmental Entity"). The Parties agree that any such filings shall be made in due course of time.
- (b) The execution, delivery and performance by AKI of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) violate the certificate of incorporation, bylaws or other constituent documents of AKI, (ii) violate any statute, regulation, rule, injunction, judgment, order, decree or ruling of any Governmental Entity to which AKI is subject or (iii) conflict with, result in a breach of, constitute a default under, or give rise to a loss or any benefit to which NIPL is entitled under any provision of any agreement, contract, lease, license or instrument.

4.2 No Undisclosed Liabilities; No Litigation

- (a) There are no liabilities (whether absolute or contingent or liquidated or unliquidated) of the Business, except for liabilities under executory agreements, contracts, leases, licenses and other arrangements set forth in Schedule 3. The Parties agree



For NEOLITE

Director 
Managing Director

that any liabilities or obligations solely pertaining to the carrying on of Business in the ordinary course, if any, relating to the period upto the date of Closing shall be borne by NIPL.

- (b) There is no action, suit or proceeding pending against, or to the knowledge of AKI, threatened against, AKI or in relation to the Business before any court or arbitrator or any other Governmental Entity except as specified in Schedule 3. To the knowledge of AKI, neither AKI, nor, its proprietor, officer or employee of AKI, is subject to any order, writ, judgment, injunction, decree, stipulation, determination or award entered by any Governmental Entity with respect to AKI which may prevent or prohibit the transactions contemplated hereby or that would otherwise have a material adverse effect.

4.3 Taxes

AKI has filed all tax returns required to be filed through the date hereof till Closing; that all such tax returns are true, correct and complete; and AKI has paid all taxes (as defined below) shown to be due and owing by them on such tax returns. Further:

- (a) No deficiencies or shortfall for any tax have been proposed, asserted or assessed in writing by any taxing authority against AKI;
- (b) there are no liens or encumbrances for taxes on any asset of AKI.

Except as specified in Schedule 4.

Director / Managing Director

(c) AKI and or its Proprietor shall be jointly and severally liable to pay at all times all liabilities on account of income tax, wealth tax including those arising in respect of Transfer of Business under this Agreement.

AKI and or its Proprietor shall also be liable jointly and severally to pay liabilities not provided in the books of AKI on account of demands raised by Government Authorities after the Closing Date, in respect of all other taxes, levies of any kind, relating to the Business carried on till the date of Closing.

4.4 Contracts

Schedule 5 sets forth a list of all the contracts to which the AKI is a party. AKI has made available to NIPL a true and complete copy of each such agreement. Neither AKI nor the other parties thereto are in breach or default under the terms of such agreement, and no event has occurred which with notice or lapse of time would constitute a breach or default, or permit termination or modification under any such agreement.

AKI shall disclose to NIPL in advance of Closing all agreements, deeds, permits and other instruments of whatever nature and all authorizations, telephone connections and all other claims, rights, liberties, easements advantages, benefits, approvals and privileges of any kind whatsoever which relate to Business to be transferred.

The Parties shall agree, as per the terms of the Contracts which can be assigned. The Contracts which cannot be assigned shall be terminated by AKI without any cost or liability to NIPL and if required fresh contracts be entered upon.

4.5 Compliance with Law; Permits

AKI is in full compliance with all statutes, ordinances, regulations, and other governmental requirements or judicial decree applicable to the conduct of the Business. AKI is a Firm duly organized, validly existing, and in good standing under the laws of India and has power and authority to operate and carry on the Business as now conducted, and have received all permits from and approvals of governmental authorities and banks required in connection with the operation thereof and have been operated and maintained in accordance with applicable laws, rules, and regulations in all material respects as also for the transfer of the Business. The execution and performance of this Agreement have been authorized and approved by the Proprietor of AKI.

ARTICLE 5: REPRESENTATIONS AND WARRANTIES OF NIPL

- (a) NIPL is a company duly organized, validly existing, and in good standing under the laws of India and has power and authority to operate and carry on the Business as now conducted.
- (b) The execution, delivery and performance by NIPL of this Agreement and the consummation of the transactions contemplated hereby require certain filing with Governmental Entity which shall be filed in due course.
- (c) The execution, delivery and performance by NIPL of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) violate the certificate of incorporation, bylaws or other constituent documents of NIPL,

(ii) violate any statute, regulation, rule, injunction, judgment, order, decree or ruling of any Governmental Entity to which NIPL is subject or (iii) conflict with, result in a breach of, constitute a default under, or give rise to a loss or any benefit to which AKI is entitled under any provision of any agreement, contract, lease, license or instrument.

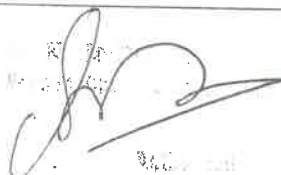
ARTICLE 6: CLOSING

6.1 The Parties shall do or cause to be done, all of the activities enumerated in Articles 6.2 hereof. Each of the activities shall be given effect to simultaneously and the Closing shall be deemed to have occurred when each of the activities has been completed which shall not be later than the date of execution of the Agreement.

In case Closing does not happen prior to or on the date of execution of this Agreement on account of any action or non action of AKI, NIPL shall be entitled to extension of date of Closing or termination otherwise (the same is also covered in Article 9.10)

6.2 AKI shall deliver to NIPL the following documents:

- (a) the Parties agree that AKI shall deliver to or if applicable leave all records used in connection with the conduct of the Business including but not limited to, all employee and supplier records, files, accounts, contracts, agreements, arrangements, software and computer programmes used in connection with the carrying of the business comprised in the Business, drawings, product and design specifications, process information, performance data and all other data and information relating to the Business and such other customer records and sales data as are


HOF.

For NEOLITE

Directed / 
Managing Director

maintained by AKI in relation to the Business including the details of assets, liabilities, contracts etc. The Parties agree that such of the assets etc as are capable of being transferred by delivery shall be given by AKI to NIPL against written receipt.

- (b) such approvals, consents and certificates as are necessary to convey clear title to the Business in accordance with this Agreement or are necessary under applicable law to consummate the transfer of the Business in favour of NIPL. The approvals, consents and certificates as above shall include inter-alia consent from the respective contracting parties listed in Schedule 6 for assignment of their respective agreements, in favour of NIPL.

ARTICLE 7: NON-COMPETITION

7.1 During the subsistence of the Joint Venture Agreement to be executed between Mr. Rajesh Jain, NIPL and Zizala Lichtsysteme GmbH, Austria (ZKW).

7.1.1 AKI shall not deal in automotive lighting business of NIPL and/or that of ZKW, in any manner whatsoever;

7.1.2 If Mr. Rajesh Jain withdraws (i.e. transfers the entire shareholding in NIPL) from NIPL, AKI shall not directly or indirectly deal in automotive lighting business for a period of two years thereafter;

7.2 However, AKI will be free at all times to carry on the business of homelighting and any other business, not related to automotive lighting and not forming part of NIPL's business.

ARTICLE 8: COSTS

All statutory costs, charges and other levies of any nature (including stamp duty), and sales tax/VAT if applicable in respect of or in relation to the sale of the Business shall be the responsibility of NIPL. Each party shall bear its own liabilities with regard to income-tax or capital gains tax if applicable.

ARTICLE 9: GENERAL

9.1 Notices

Notices, demands or other communications required or permitted to be given or made hereunder shall be in writing and delivered personally or sent by prepaid first class post with recorded delivery, or by telex, or legible telefax addressed to the intended recipient at its address set out below:

A.K. Industries

ATTN: Mr. Rajesh Jain

Address: D-4, Rajouri Garden, New Delhi-110027

Neolite Industries Private Limited

ATTN: Mrs. Vaishali Jain

Address : D-4, Rajouri Garden, New Delhi 110027

Notice shall be deemed to have been served when received (and in the case of facsimile transmission, provided that a confirming copy is sent to the other Party in accordance with the non-facsimile notice delivery requirements)

9.2 Assignment

AKI shall not assign its rights and obligations under this Agreement in whole or in part hereunder without the prior written consent of NIPL. NIPL however, shall have the right to assign the benefits of this agreement in whole or in part to any party whereupon AKI shall be bound to such party as if the said party had executed this Agreement with AKI in the first place. In the event so required by NIPL, AKI shall issue such comfort letters or other document to the said party for assuring it of the above.

9.3 Variation

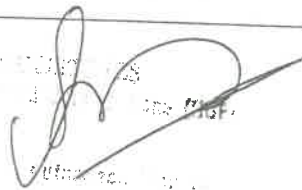
Any variation of this Agreement shall be mutually agreed in writing and executed by or on behalf of each of NIPL and AKI.

9.4 No Waiver

No waiver by any Party of any default with respect to any provision, condition or requirement hereof shall be deemed to be a waiver of any other provision, condition or requirement hereof. No delay or omission of any Party to exercise any right hereunder on one occasion in any manner shall impair the exercise of any such right on any other occasion.

9.5 No Directorship

Nothing in this Agreement shall constitute a Directorship between the Parties hereto under applicable Indian laws.


Authorised Signatory

For NEOLITE ZKW LIGHTING PRIVATE LIMITED
Director / Managing Director

9.6 Pledging Credit

Nothing in this Agreement shall give either Party the right to pledge the credit of or incur liabilities or obligations binding on the other Party.

9.7 Entire Agreement

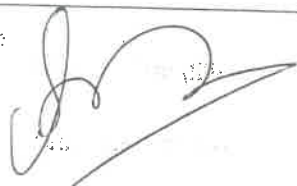
This Agreement along with the Exhibit and Annexures and Schedules (if any), which form an integral part of the Agreement, hereto represents the entire Agreement as to the subject matter hereof, and supersedes any prior understandings between the Parties on the subject matter hereof.

9.8 Force Majeure

Neither Party shall be liable by reason of failure or delay in the performance of its obligations under this Agreement if such failure or delay is caused by acts of God, strikes, lockouts, war or any other cause beyond its control and without its fault or negligence.

9.9 Confidentiality

The Parties recognise that by virtue of this Agreement each of them will be given and have access to specialised know how, information, data and confidential and proprietary information of the other Party. Each Party undertakes not to divulge or communicate to any person (unless required by law or by any other regulation or by any Government authorities with proper authority) or exploit for any purpose whatsoever except as agreed under this Agreement, any of the trade secrets or



Director / *Handwritten signature*

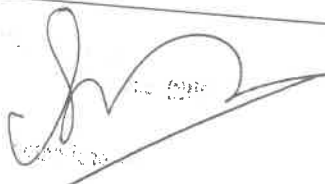
confidential knowledge or information of the other Party and each Party shall use all reasonable endeavours to prevent its officers, employees or agents from doing so. This obligation and restriction on the Parties shall continue to apply without limit in point of time but shall to cease to apply to information or knowledge which may properly come into the public domain through no fault of the relevant Party, or was already known to such Party prior to disclosure by the other Party.

9.10 Termination

This agreement shall stand terminated in case CLOSING does not occur by 31.03.2008. The Parties may, however, extend the afore-said period as mutually agreed.

9.11 Invalid Provisions not to Invalidate Whole Agreement

In the event of any one or more of the provisions contained in this Agreement being waived, modified or altered, none of the other provisions hereof shall in any way be affected or impaired thereby. If any of the provisions of this Agreement become invalid, illegal or unenforceable in any respects under any applicable law, the validity, legality and enforceability of the remaining provisions shall not in any way be effected or impaired. Where the provisions of such applicable law may be waived they are hereby waived by the Parties to the full extent permitted so that this Agreement shall be deemed to be valid and binding and enforceable in accordance with its terms. If any provision of this Agreement becomes invalid, the Parties agree to substitute such invalid provision with a new provision which legally serves the purpose of the invalid provision to the furthest possible extent.



For NEOLITE

Director

Handwritten signature
Managing Director

9.12 Counterparts

This agreement is being executed in two counterparts, one of which shall be duly stamped and both of which shall be deemed to be original and authentic.

10.0 No Third Parties

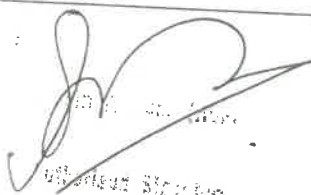
Neither this Agreement nor any provisions set forth herein is intended to, or shall, create any rights in or confer any benefits upon any person other than the Parties to this Agreement.

ARTICLE 10: GOVERNING LAW

10.1 This Agreement shall be governed and construed in accordance with and shall be governed by the laws applicable in India.

10.2 Any disputes or differences arising between the Parties hereto as to the effect, interpretation or application of this Agreement or as to their rights, duties or liabilities thereunder, or as to any act, matter or thing arising out of, or consequent to, or in connection with this Agreement shall be referred to arbitration by a sole arbitrator, who shall be appointed by mutual consent. The seat of arbitration shall be New Delhi and the language shall be English. The arbitration shall be conducted and governed by the Arbitration and Conciliation Act, 1996 by a panel of three Arbitrators, each Party appointing one Arbitrator and the third Arbitrator to be appointed by the said two Arbitrators.

IN WITNESS WHEREOF these presents together with the Schedules annexed and signed have been executed by the Parties at the date and place first mentioned:


Authorized Signatory

For NEOLITE

Director 
NEOLITE ZK

For A. K. Industries

Signature:

Name:

Designation:

For Neolite Industries Private Limited

Signature:

Name:

Designation:

WITNESSES:

1.

ARUN JAIN

A-22, DJS Apartment

13-5, Sector 14 Extra, Rohini-110085

2.

(SACHIN WADHWA)

M-29, Rajouri Garden,

New Delhi-110027

Schedule 1

A. K. Industries

List of Assets & Liabilities

(As detailed in the Financial Statements as on 15/10/2007)

A

ASSETS

1

Fixed Assets

a

Plant & Machinery

b

Die & Mould

c

Furniture & Fixtures

d

Office Equipment

e

Vehicle

f

Computer

2

Current Assets Loans & Advances

a

Inventory

b

Sundry Debtors

c

Cash & bank balances

d

Advances

B

LIABILITIES

1

Secured Loans

2

Unsecured Loans

3

Current Liabilities & Provisions

a

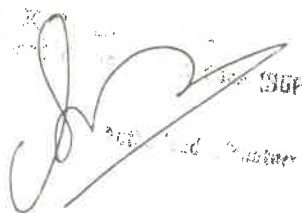
Current Liabilities

b

Provisions

C

Trade Marks



FOR

Director, *Ganesh*

AKI EMPLOYEE'S DETAILS
AS ON 15.10.2007

Schedule 2

SR. NO.	NAME OF EMPLOYEE'S
1	Mr. NAVEEN
2	Mr. TINKU
3	Mr. SUSHIL PHATAK
4	Mr. NARESH JHA
5	Mr. NETER SINGH
6	Mr. VIR BAHADUR
7	Mr. JANARDHAN
8	Mr. JIGAR SINGH
9	Mr. BALIHARI PRASAD
10	Mr. SHIV DUTT
11	Mr. DINESH PAREEK
12	Mr. GANPATH
13	Mr. RAJESH PASWAN
14	Mr. AMAR KUMAR
15	Mr. RAM SURAT
16	Mr. MAHESH SHARMA
17	Mr. AJAY SHARMA
18	Mr. SHUBASH GUPTA
19	Mr. OM VIR
20	Mr. HARI KISHORE
21	Mr. NAND KISHORE
22	Mr. YASEEN SIDKKI
23	Mr. RAM KISHAN
24	Mr. PRATAP SINGH
25	Mr. RAM KUMAR
26	Mr. DEEP CHAND
27	Mr. MUNNA PRASAD
28	Mr. BRIJ PAL SINGH
29	Mr. ANIL KR. MISHRA
30	Mr. SUBHASH CHAND PANCHAL
31	Mr. UTTAM KUMAR
32	Mr. ANAND BALLABH JOSHI
33	Mr. DINESH CHANDER
34	Mr. ASHOK KUMAR
35	Mr. TRILOK SINGH
36	Mr. JALESHWAR SINGH
37	Mr. PRAKASH SINGH
38	Mr. MOHAN SINGH

Let A R
Prop. Prasad



For
Mamuli
Director

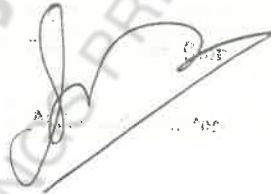
M/s A.K. Industries

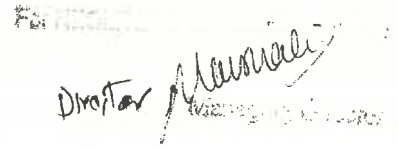
List of Liabilities

Schedule 3

(As detailed in the Financial Statements as on 15/10/2007)

S. No	Particulars	Nature
1	Employee State Insurance	Statutory Liability
2	Provident Fund	Statutory Liability
3	Tax Teducted at Source	Statutory Liability
4	Employee Welfare fund	Statutory Liability
5	Bonus Payable	Statutory Liability
6	V. Sachdeva & Associates	Audit Fees
7	Water Charges	Business Expense
8	Expeses Payable	Business Expense
9	Goodwill Management Consultancy	Labour Contractor
10	Shiv Contact India	supplier
11	S.S. Tools Corp	supplier



Director 

M. A.K. Industries

Schedule 4

List of Assets on Lien

Assets Given on Lien

Nil

For NEOLITE

Director

Managing Director

CONFIDENTIAL
Shubham
shubhamijhunjhunwala@arathi.com
NEOLITE ZKW LIGHTINGS PRIVATE LIMITED - 12/10/2025 09:49 PM

M/s A. K. Industries

List of Present Contracts

Schedule 5

Sl. No.	Contractee Name	Nature of Contract
	M/s Tata AIG General Insurance Company Ltd	Insurance
2	M/s Goodwill Management Consultancy Services	Labour Supply
3	M/s Neolite Industries	Job Work
	All Suppliers	Material Supply
5	All Employee	Employment
6	Hoshi Guards Pvt Ltd.	Security Guard services

For

Director

Mamali

M/A A.K. Industries

List of Present Contracts

Schedule 5

No	Contractee Name	Nature of Contract
	M's Tata AIG General Insurance Company Ltd	Insurance
	M's Goodwill Management Consultancy Services	Labour Supply
	M/s Neolite Industries	Job Work
	All Suppliers	Material Supply
	All Employee	Employment
	Hoshi Guards Pvt Ltd.	Security Guard services

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For NCC

Director

Mamali