

**From:** Pieter Van der Merwe <pieter@vdmass.co.za>  
**Sent time:** 11/25/2015 11:44:31 AM  
**To:** Tony Gupta <tony@sahara.co.za>  
**Cc:** Kamal Singhala <kamals@vrlaser.co.za>  
**Subject:** Re: DENEL JV

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Good morning sir,

I have noted the mail below. There might be an issue with the local legislation where a party in a company cannot vote directly in a subsidiary company. We will have to check this with our attorneys in India sir. This was also a concern for me from the beginning sir.

Subsequent to our telephone discussion yesterday, I suggest we send the following mail:

*Dear sir,*

*We have noted your email. We have the following concerns:*

- 1. The joint-venture company is merely an investment company holding shares in a sales and marketing company. By not giving Mr Gupta the opportunity to vote, according to is Sheldon, indecisions in the operating company, divests Mr Gupta of his right to raise any concerns in proportion to the shareholding he has. We do not know how the detainees has changed this close but we will properly comment once we have received the marked up agreement.*
- 2. If both directors have the same rights and if both directors must agree on a decision to be taken, we will be in agreement.*

*We will however wait for the amended agreement and will then comment in more detail.*

*Regards*

Once we have received the agreement I think we can have a proper discussion in regards to the proposed changes sir.

Please let me know if there is anything else or if you want to change anything sir.

Regards Pieter

Sent from my iPhone

On 24 Nov 2015, at 11:10, Tony Gupta <[tony@sahara.co.za](mailto:tony@sahara.co.za) <<mailto:tony@sahara.co.za>>> wrote:

Begin forwarded message:

**From:** P M Lodha <[pml@peerless1932.com](mailto:pml@peerless1932.com) <<mailto:pml@peerless1932.com>>>  
**Date:** 24 November 2015 at 10:23:50 SAST  
**To:** Rajesh Tony Gupta <[tony@sahara.co.za](mailto:tony@sahara.co.za) <<mailto:tony@sahara.co.za>>>  
**Subject:** DENEL JV

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from

Parasmal Lodha

to

Sri Tony Gupta

mail

[pml@peerless1932.com](mailto:pml@peerless1932.com) <mailto:pml@peerless1932.com>

mail

[tony@sahara.co.za](mailto:tony@sahara.co.za) <mailto:tony@sahara.co.za>

date

November 24, 2015

ref

Sub: DENEL JV

I have gone through the draft agreement and also interacted with Adani team on last week. I think the lawyers have made some changes in the agreement as they have proposed that holding company partner Sri Anil Gupta will have the ability to vote directly in the operating company. Firstly, the shareholder in the operating company is the JV Company with Adani and a direct vote by an individual shareholders is not permitted by the law, secondly, it is also in contrary to the arrangement discussed in the meeting at Ahmedabad. The agreement also proposed that 75% voting is required at any Board level decisions, this is not required since irrespective of shareholding pattern, we had agreed for an equal representation in the board of the company hence no decisions can be taken without consent of the both parties.

Sir, in my opinion our lawyers should be advised to make necessary amendments in the agreement and close the long pending matter without any further delay.

Regards.