



தமிழ்நாடு தமில்நாடு TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023

CX 552940

F. M. GUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
NUNGAMBAKIKAM, CHENNAI-600 034  
MOBILE: 9445114347

This stamp paper forms an essential part of the Share Purchase and Subscription Agreement dated 13 October 2023 between Lenskart Solutions Private Limited, Tango IT Solutions India Private Limited, Mr. Surender Gounder and Keerthana Bhaskar



தமிழ்நாடு TAMILNADU

28 AUG 2023

CX 552939

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
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28 AUG 2023

CX 552938

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/81, VALLUVARKOTTAM HIGH ROAD  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX 552937

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
NUNGAMBAKKAM, CHENNAI-600 034  
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சென்னை TAMILNADU  
Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023

CX 552933

*R. RAGUPATHI*  
R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
NUNGAMBAIKKAM, CHENNAI-600 034  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX/552934

Tango IT Solutions India Pvt Ltd  
Chennai

R. DASUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
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कमिपुना तमिलनाडु TAMILNADU

28 AUG 2023

CX 552935

Tango IT Solutions India Pvt Ltd  
Chennai

*R. P. RAO*  
R. P. RAO  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
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தமிழ்நாடு TAMILNADU

28 AUG 2023

CX 552936

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI  
STAMP VENDOR L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
NUNGAMBAKKAM, CHENNAI-600 034  
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தமிழ்நாடு TAMILNADU

28 AUG 2023

CX 552932

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI

STAMP VENDOR, L/No. G3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
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தமிழ்நாடு தமில்நாடு TAMILNADU 27 JUL 2023

*R. Ragupathi* CX 347753

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு தமில்நாடு TAMILNADU

27 JUL 2023

CX 347752

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 75/91, VALLUWARKOTTAM HIGH ROAD  
NUNGAMBAKKAM, CHENNAI-600 034  
MOBILE: 9445114347

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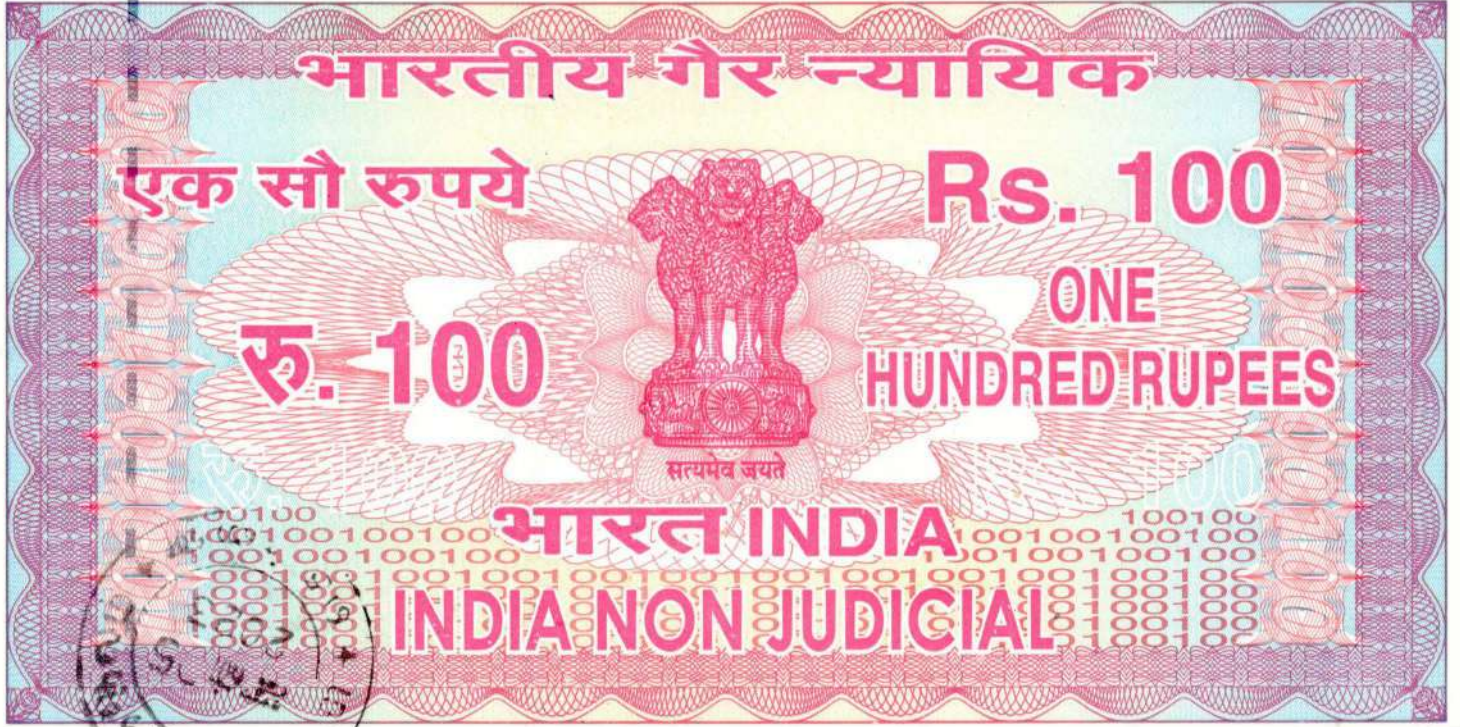


தமிழ்நாடு தமில்நாடு TAMILNADU 27 JUL 2023

Tango IT Solutions India Pvt Ltd  
Chennai

CX 347751  
R. BHAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 73/91, VALLUVARKOTTAM HIGH ROAD  
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MOBILE: 9445114347

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தமிழ்நாடு தமில்நாடு TAMILNADU

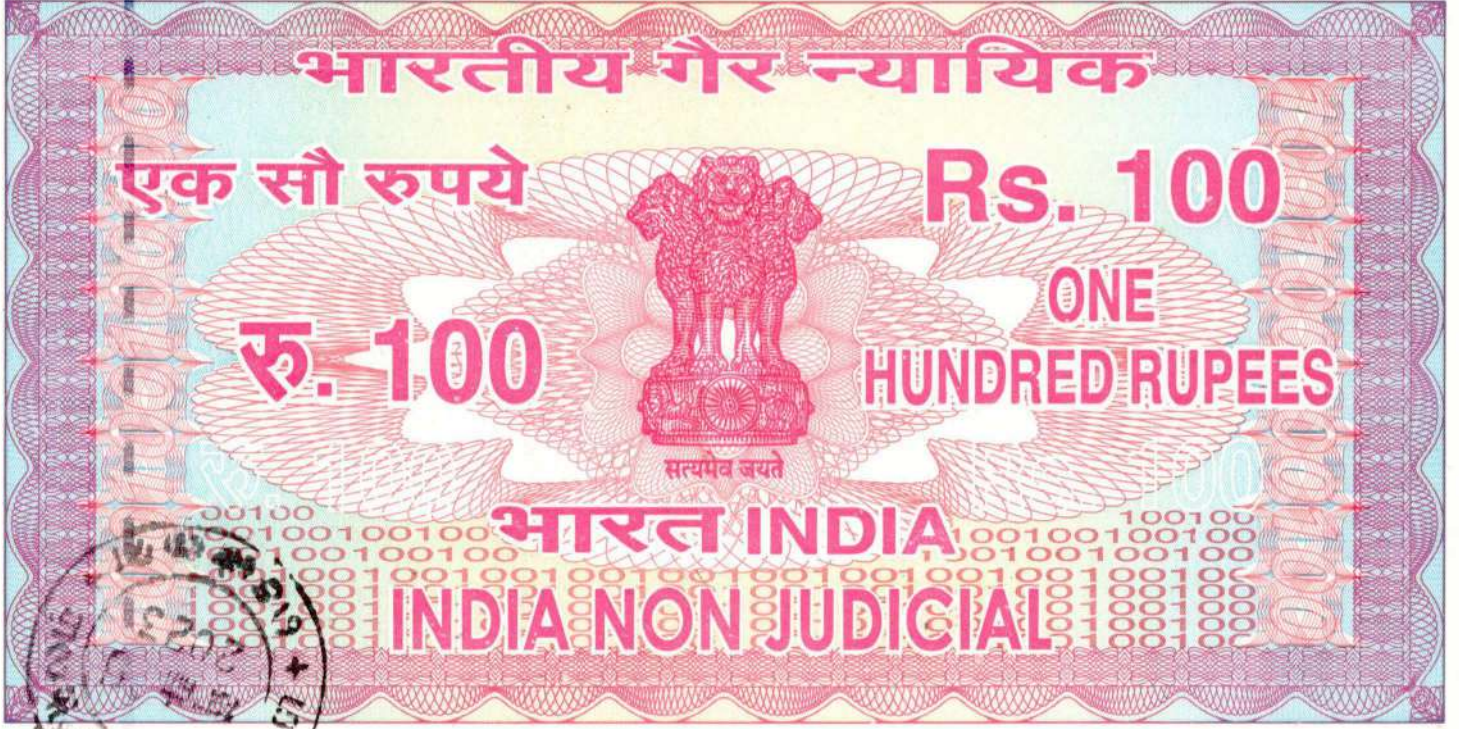
27 JUL 2023

CX 347750

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 87, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
NUNGAMBAKKAM, CHENNAI-600 034  
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தமிழ்நாடு தமில்நாடு TAMILNADU

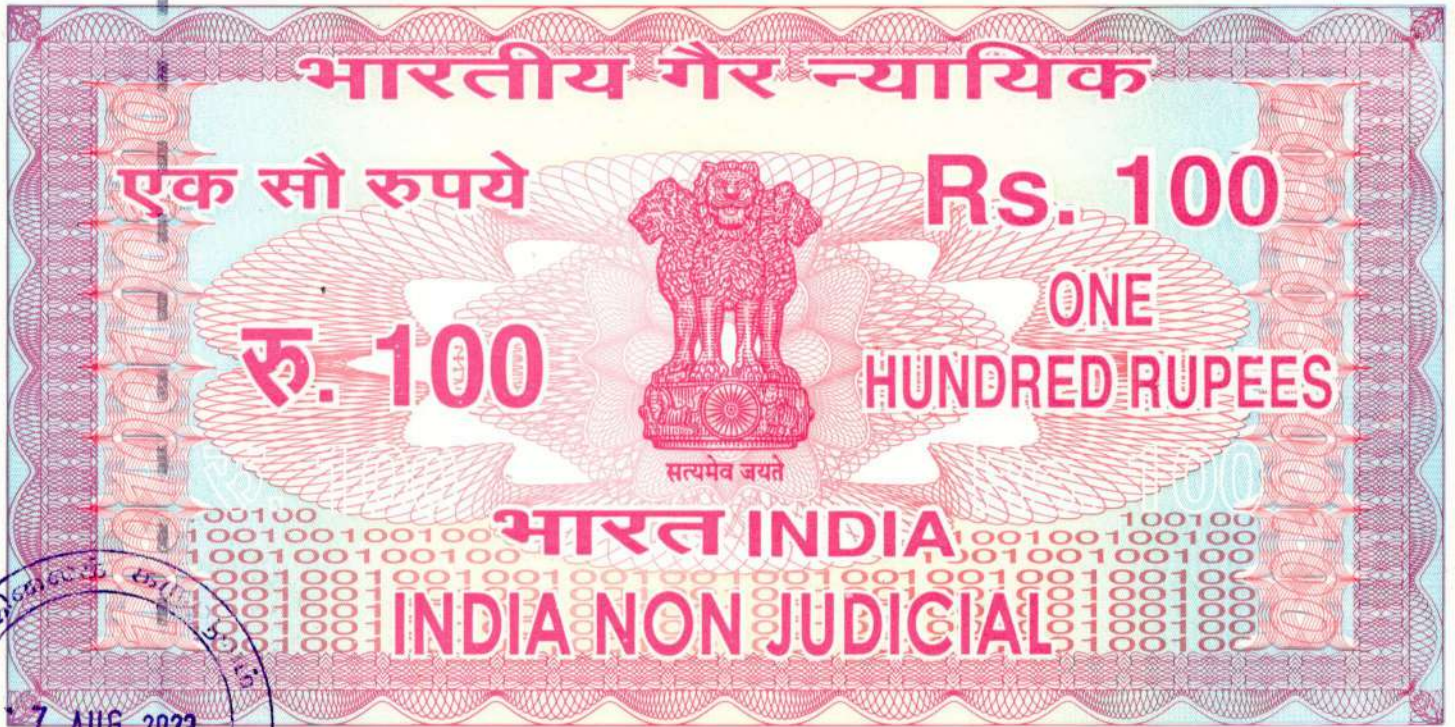
27 JUL 2023

CX 347749

Tango IT Solutions India Pvt Ltd  
Chennai

R. FAGURATHI  
STAMP VENDOR, L/No. C3/4839/83  
NO. 37, VILLAGE ROAD, NOW KNOWN AS  
NO. 70/91, VALLUVARKOTTAM HIGH ROAD  
NUNGAMBAKKAM, CHENNAI-600 034  
MOBILE: 9445114347

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தமிழ்நாடு மீட்டர் TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023 CX 552975

R. GUPATHI  
STAMP VENDOR, LV No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX 552974

Tango IT Solutions India Pvt Ltd  
Chennai

B. VASUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX 552973

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAJUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX 552972

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 79/91, VALLUVARKOTTAM HIGH ROAD  
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தமிழ்நாடு தமில்நாடு TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023 CX 552971

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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समिलनाडु TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023 CX 552970

R. PAVANATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு தமில்நாடு TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023 CX 552969

R. RAGURATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
No. 73/91, VALLUVARKOTTAM HIGH ROAD  
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TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023 CX 552968

R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
NUNGAMBAKKAM, CHENNAI-600 034  
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தமிழ்நாடு சமீலநாடு TAMILNADU

Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023 CX 552966

R. RAGUPATHI

STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு தமிழ்நாடு TAMILNADU

28 AUG 2023

CX 552967

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு ரமில்நாடு TAMILNADU

28 AUG 2023

CX/552931

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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भारत INDIA  
INDIA NON JUDICIAL  
Tango IT Solutions India Pvt Ltd  
Chennai

28 AUG 2023

CX 552930  
R. JAGUPATHI

STAMP VENDOR, No. C3/4839/83  
No. 37, VILLAGE ROAD, NOW KNOWN AS  
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தமிழ்நாடு TAMILNADU  
Tango IT Solutions India Pvt Ltd  
Chennai

'28 AUG 2023' CX 552929

R. RAGUBATHI  
STAMP VENDOR, L/No. C3/4839/83  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX 552928  
R. RAGUPATHI

Tango IT Solutions India Pvt Ltd  
Chennai

STAMP VENDOR, L/No. C3/4839/83  
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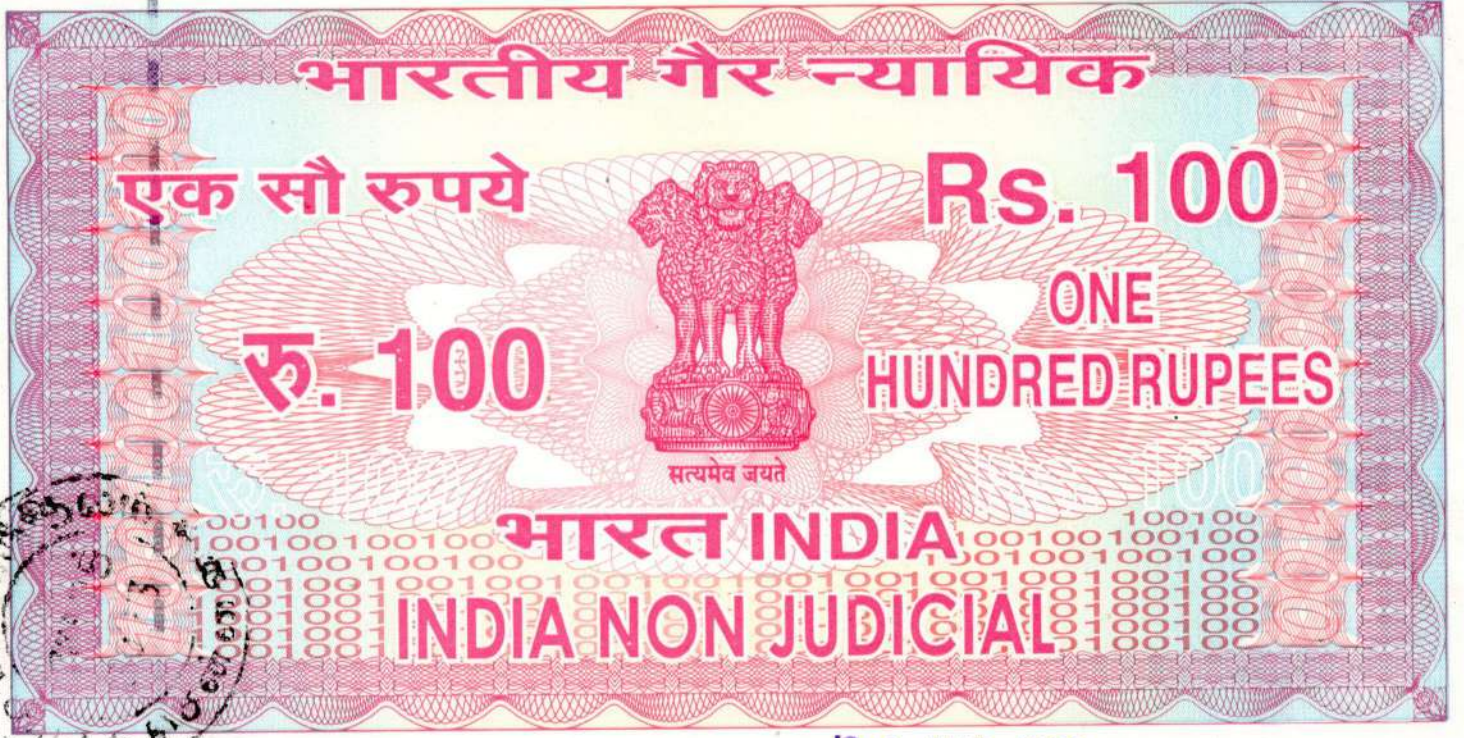
28 AUG 2023

CX 552926

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAGUPATHI  
STAMP VENDOR, L/No. C3/4839/83  
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தமிழ்நாடு தமில்நாடு TAMILNADU

28 AUG 2023

CX 552927

Tango IT Solutions India Pvt Ltd  
Chennai

R. RAJURATHI  
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## SHARE PURCHASE AND SUBSCRIPTION AGREEMENT

**THIS SHARE PURCHASE AND SUBSCRIPTION AGREEMENT** (the “**Agreement**”) is made on 13 October 2023 (the “**Execution Date**”),

**BY AND AMONGST:**

- (1) **LENSKART SOLUTIONS PRIVATE LIMITED**, a private limited company incorporated under the Companies Act, 1956 and having its registered office at W-123, Ground Floor, Greater Kailash Part-2, New Delhi – 110048, India (the “**Purchaser**”);

**AND**

- (2) **TANGO IT SOLUTIONS INDIA PRIVATE LIMITED**, a private limited company incorporated under the Companies Act, 2013 and having its registered office at Cheran Illam, 1330, Thadagam Road, R S Puram, Kovai 2, Coimbatore Tamil Nadu - 641002 India (the “**Company**”);

**AND**

- (3) **MR. SURENDER GOUNDER**, s/o K.C. Palanisamy, aged about 37 years, currently residing at 209/130 St. Mary’s Road, Pooja Pura Apartment, Alwarpet, Chennai, Tamil Nadu - 600018, India (hereinafter referred to as the “**Promoter Seller**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his respective heirs, successors, legal representatives, administrators, executors and permitted assigns);

**AND**

- (4) **KEERTHANA BHASKAR**, son of Palanisamy Kangeyam Chenniyappa, aged about 65 years, currently residing at 322, Thadagam Road, RS Puram, Coimbatore – 641002, (hereinafter referred to as the “**Employee Seller**” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his respective heirs, successors, legal representatives, administrators, executors and permitted assigns).

The Promoter Seller and the Employee Seller are hereinafter collectively referred to as the “**Sellers**” and individually as the “**Seller**”.

The Purchaser, the Sellers and the Company are collectively referred to in this Agreement as the “**Parties**” and, each, individually, as a “**Party**”.

**WHEREAS:**

- A. The Sellers legally and beneficially own an aggregate of 56.51% (Fifty-Six Point Five One percent) of the issued and paid-up share capital of the Company, on a Fully Diluted Basis as of the Execution Date and as detailed in Part 1 of Annexure A.
- B. The Company desires to issue to the Purchaser, and the Purchaser desires to subscribe to the Subscription Shares (*as defined below*) on the terms and conditions set forth in this Agreement.

- C. The Sellers are desirous of selling the Sale Shares (*as defined below*) and the Purchaser has agreed to purchase the Sale Shares from the Sellers, in accordance with the terms and subject to the conditions set forth in this Agreement.
- D. The Parties are now desirous of recording the terms and conditions pursuant to which the Purchaser is agreeable to (i) subscribe to the Subscription Shares and (ii) purchase the Sale Shares, as detailed under this Agreement.
- E. The shareholding of the Company as on the Execution Date and as on the Completion Date (assuming completion has occurred under the Investor SPA in accordance with the terms thereof) is stated in **Annexure A**.

**NOW, THEREFORE**, the Parties hereby agree as follows:

1. **DEFINITIONS AND INTERPRETATION**

- 1.1. **Definitions:** In this Agreement, unless the context otherwise requires, the following expressions shall have the following meanings ascribed to them:

“Act”	means the Companies Act, 2013, and the rules and regulations prescribed thereunder, as now enacted or as amended or restated from time to time;
“Accounting Standards”	means Indian Accounting Standards promulgated by the Institute of Chartered Accountants of India, together with its pronouncements thereon from time to time, and applied on a consistent basis;
“Accounts”	means the following prepared as per the Accounting Standards (a) the audited financial statements of the Company for the accounting reference period ending on the 31 March 2023 together with, the auditors’ and directors’ reports, relevant balance sheets, profit and loss accounts and statements of cash flow, and related notes to be annexed to the accounts of the Company, (b) the quarterly unaudited financial statements for the period between April 01, 2023 and the Accounts Date and (c) the unaudited monthly management financial statements of the Company for the period commencing on July 01, 2023 and ending on 15 September 2023, such financial statements comprising, in each case, a balance sheet, a profit and loss account and a cash flow statement of the Company, any notes, reports, statements or documents included in or annexed or attached to them;
“Accounts Date”	means June 30, 2023;

<p><b>“Additional Directorships”</b></p>	<p>means the directorships held by the Promoter Seller in (i) Metro City Infrastructure Developers India Private Limited, (ii) Unaitted Builders Consultants Private Limited, (iii) Bharath Corp House Limited, (iv) Cherry Green IN Private Limited, and (v) United Planntationn Limited;</p>
<p><b>“Amended Articles”</b></p>	<p>means the amended and restated Articles incorporating the provisions of Table F of the Act and such other matters as the Purchaser may determine;</p>
<p><b>“Applicable Law”</b></p>	<p>means and includes all applicable statutes, enactments, acts of the state legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange, as may be applicable, of India;</p>
<p><b>“Articles”</b></p>	<p>means the articles of association of the Company, as amended or restated from time to time;</p>
<p><b>“Associated Person”</b></p>	<p>means, in relation to a company or other entity, an individual or entity (including a director, officer, employee, consultant, agent or other representative) who or that has acted or performed services for or on behalf of that company or other entity but only with respect to actions or the performance of services for or on behalf of that company or other entity;</p>
<p><b>“Anti-Corruption Laws”</b></p>	<p>means the Prevention of Corruption Act 1988, the Foreign Corrupt Practices Act 1977, as amended, the UK Bribery Act 2010 and any other laws and regulations applying to the Company, any of its affiliates and/or an Associated Person of either the Company or any of its affiliates prohibiting bribery or some other form of corruption, including but not limited to fraud and tax evasion;</p>
<p><b>“Anti-Money Laundering Laws”</b></p>	<p>means all laws and regulations of India, United Kingdom, United States of America and any other laws and regulations applying to the Company, any of its affiliates and/or an Associated Person of either the Company or any of its affiliates prohibiting money laundering, including but not limited to attempting to conceal or disguise the identity of illegally obtained proceeds;</p>

“ <b>Business Day</b> ”	means any day (other than a Saturday or a Sunday) on which banks in (i) Delhi, India and (ii) Chennai, India are generally open for banking business;
“ <b>Charter Documents</b> ”	means the memorandum of association of the Company as amended or restated from time to time, and the Articles;
“ <b>Company’s Bank Account</b> ”	means the bank account of the Company into which the Purchaser shall pay the Subscription Amount, on the Completion Date, details of which are provided in <b>Schedule 1</b> of this Agreement;
“ <b>Completion</b> ”	means completion of the actions by the relevant Parties in accordance with Clause 6;
“ <b>Completion Date</b> ”	means the 10 (Ten) Business Days after the completion of the Conditions Precedent on or prior to the Long Stop Date in accordance with the terms of this Agreement and the conditions precedent as provided for under the Investor SPA in accordance with the Investor SPA, or such other date as may be agreed to in writing by the Parties;
“ <b>Consideration</b> ”	Means the purchase consideration payable by the Purchaser to each Seller as provided for in <b>Part A</b> of <b>Schedule 1</b> which, in respect of the consideration payable to the Promoter Seller, shall be subject to Adjustments;
“ <b>Convertible Notes</b> ”	means the convertible notes issued by the Company to (i) Freedom Financial Services LLP, amounting to INR 25,00,000 (Indian Rupees Twenty-Five Lakhs); (ii) IFESIA GP, amounting to USD \$ 110,000 (United States Dollar One Hundred and Ten Thousand); and (iii) Usheron Ventures LLC, amounting to USD \$ 110,000 (United States Dollar One Hundred and Ten Thousand);
“ <b>Data Protection Rules</b> ”	means all statutes, enacting instruments, common law, regulations, codes of practice, decisions, recommendations having the binding nature of law and the like in India (or elsewhere to the extent applicable to the Company) concerning the protection and/or processing of personal data including relevant provisions of the (Indian) Information Technology Act, 2000 as amended from time to time including the Cyber Security Directions;

<p><b>“Disclosed”</b></p>	<p>shall mean fully, fairly, and specifically disclosed in the Disclosure Letter, and the term “Disclosure” with respect to the Company Warranties shall be construed accordingly;</p>
<p><b>“Disclosure Letter”</b></p>	<p>shall mean:</p> <p>(a) a letter delivered to the Purchaser on the Execution Date, containing disclosures and exceptions to the Company Warranties (but not Fundamental Warranties) specifically, Disclosed, in a form and manner acceptable to the Purchaser, and</p> <p>(b) a letter supplemental to the Disclosure Letter to be delivered to the Purchaser on the Completion Date, containing disclosures only in relation to new facts, circumstances, or events arising solely between the Execution Date and the Completion Date specifically, Disclosed, in a form and manner acceptable to the Purchaser;</p>
<p><b>“Economic Sanctions Laws”</b></p>	<p>means all Applicable Law relating to sanctions and trade embargos, including any sanctions administered or enforced by the United States (including the OFAC, the U.S. Department of Commerce and the U.S. State Department), the United Nations, the European Union, the United Kingdom (including HM Treasury), India, or any member state thereof, or any other relevant sanctions authority recognised under Applicable Law;</p>
<p><b>“Encumbrance”</b></p>	<p>means any security, interest, claim, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, or other encumbrance of any kind, 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 of granting of security under Applicable Law, any adverse claim as to title, possession or use, and any voting agreement, interest, option, right of first offer or refusal or transfer restriction in favour of any Person, other than those under the Shareholders’ Agreement and/or Articles;</p>
<p><b>“Equity Shares”</b></p>	<p>means the equity shares of the Company, having a nominal value of INR 10 (Indian Rupees Ten) per share, and each having one vote;</p>

<b>“Fundamental Warranties”</b>	means the Seller Warranties, and the Company Warranties contained at paragraphs 1, 2, 3 and 5 of <b><u>Schedule 4</u></b> ;
<b>“Fully Diluted Basis”</b>	means the assumption that all options, warrants or other securities or instruments (whether issued or issuable, by reason of being approved for issuance by the Company or otherwise, but not yet issued) convertible into ordinary equity shares of any nature or any other rights to acquire equity shares or any other existing or future classes of capital of the Company have been exercised or converted, in full, regardless of whether any such options, warrants, convertible securities or instruments or other rights are then vested or exercisable or convertible in accordance with their respective terms;
<b>“Governmental Authority”</b>	means any government, governmental authority, statutory authority (including the Registrar of Companies, Reserve Bank of India and Securities and Exchange Board of India), government department, agency or instrumentality of any government, court, tribunal or arbitral tribunal, recognised stock exchange, that is authorised to make laws, rules or regulations or pass directions having or purporting to have jurisdiction (including any state or other subdivision thereof or any municipality, district or other subdivision thereof) and any authority exercising powers conferred by Applicable Law;
<b>“Group Company”</b>	means the Company and any affiliate (that the Promoter Seller was aware of or was made aware of by the Purchaser) of the Company;
<b>“Group Company Employee”</b>	means any confirmed or permanent employee of the Group Company working in India or outside India and Persons who are under probation in accordance with the terms of appointment letters issued by the Company and includes each and every consultant or contractor or employees of consultant or contractor who has been appointed by the Company. An employee of the Company shall continue to be deemed to be as one during the period of (i) any leave of absence approved by the Company, (ii) transfers between locations of the Company and (iii) twelve months following the

	date of separation of the employee from the Company;
<b>“GST Laws”</b>	means the Central Goods and Services Tax Act, 2017, the State Goods and Services Tax Act, 2017 and the Integrated Goods and Services Tax Act, 2017;
<b>“Indemnification Event”</b>	means a Promoter Seller Indemnification Event and/or an Employee Seller Indemnification Event, as applicable;
<b>“Indemnified Party”</b>	means the Purchaser, their respective affiliates and their respective officers, directors and employees;
<b>“Indemnifying Party”</b>	means (i) with respect to the Promoter Indemnification Events, the Promoter Seller, and (ii) with respect to the Employee Seller Indemnification Events, the Employee Seller;
<b>“Intellectual Property” or “IPR”</b>	<p>means any or all of the following and all rights in, arising out of, or associated with any or all of the following:</p> <ul style="list-style-type: none"> <li>(a) all trademarks and trademark rights, service marks and service mark rights, trade names and trade name rights, service names and service name rights (including all goodwill, common law rights and governmental or other registrations or applications for registration pertaining thereto), designs, trade dress, brand names, business and product names, internet domain names, logos and slogans;</li> <li>(b) all copyrights and copyright rights, on literary or artistic works and otherwise (including all common law rights, and governmental or other registrations or applications for registration pertaining thereto, and renewal rights therefor);</li> <li>(c) all local, foreign and international patents and patent rights (including all patents, patent applications, provisional patent applications, and any and all divisions, continuations, continuations-in-part, reissues, re-examinations and extensions thereof, and all invention registrations and invention disclosures);</li> </ul>

	<p>(d) all sui generis database rights, inventions (whether patentable or not), invention disclosures, improvements, technology know-how, trade secrets, formulas, systems, processes, designs, methodologies, industrial models, works of authorship, databases, content, graphics, technical drawings, statistical models, algorithms, modules, computer programs, technical documentation, business methods, work product, intellectual and industrial property licenses, proprietary information and documentation relating to any of the foregoing;</p> <p>(e) all computer software including all source code, object code, firmware, development tools, files, records and data, and all media on which any of the foregoing is recorded; and</p> <p>(f) for each of the foregoing, whether registered or not, and all similar, corresponding or equivalent intellectual property rights to any of the foregoing;</p>
<p><b>“Investor SPA”</b></p>	<p>means the share purchase agreement of even date executed by and amongst the Purchaser, the Promoter Seller, the Company and the Other Sellers;</p>
<p><b>“Key Employee”</b></p>	<p>means the Promoter Seller, and all employees of the Company (a) who report directly to the Board, or (b) whose cost to the company on an annual basis is at or above INR 15,00,000 (Indian Rupees Fifteen Lakhs) per annum or is receiving a cash incentive program from the Company or its Group Company as on the Execution Date;</p>
<p><b>“Material Adverse Effect”</b></p>	<p>means any event or fact on account of any action or inaction of the Company and / or the Promoter Seller that has a material adverse effect on: (a) the business, operations, financial condition, properties (including intangible properties), assets (including intangible assets) or liabilities of the Company, (b) the ability of the Company, or the Sellers to perform their respective obligations under this Agreement and/or the Investor SPA (as applicable), or to give effect to the transactions contemplated under this Agreement and/or the</p>

	Investor SPA, (c) the ability of the Purchaser to exercise any rights under this Agreement and/or the Investor SPA, or (d) validity or enforceability of this Agreement and/or the Investor SPA or transactions contemplated hereunder or thereunder;
<b>“Ordinary Course of Business”</b>	means the usual, regular and ordinary course of business consistent with past practice, but only to the extent consistent with Applicable Law; provided that a series of related transactions which taken together is not in the ordinary course of business shall not be deemed to be in the ordinary course of business;
<b>“Other Sellers”</b>	means the following: <ul style="list-style-type: none"> <li>(a) Nachiket M Parmar;</li> <li>(b) Rajagopal Swaminathan;</li> <li>(c) Pankaj Kapoor;</li> <li>(d) Siddharth Pisharody;</li> <li>(e) Gaurav Gulati; and</li> <li>(f) RiSo Capital LLC.</li> </ul>
<b>“Person”</b>	means and includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company (including a limited liability company) or corporation with or without stock capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, or Governmental Authority, however designated or constituted (in each case, whether or not having separate legal personality);
<b>“Purchaser Warranties”</b>	means the representations and warranties set out in <b>Schedule 3</b> and <b>“Purchaser Warranty”</b> means any one of them;
<b>“Redundant Insurances”</b>	means (i) Kotak Electronic Equipments Insurance Policy (policy no: 2711053800); (ii) Kotak Bharat Sookshma Udyam Suraksha (policy no: 2703136400); and (iii) Kotak Burglary Secure (policy no: 2703130400);

<p><b>“Restricted Business”</b></p>	<p>means any or all the business pursued by the Group Company in any territory, whether in India or overseas, at the relevant point in time when the term is reckoned by any of the Parties or proposed to be pursued by the Group Company in the immediate future, that the Promoter Seller was aware of or likely to be aware of considering the nature of his duties;</p>
<p><b>“Restricted Customer”</b></p>	<p>mean any customer or client or prospective customer or client of the Group Company that the Promoter Seller was aware of or that the Promoter Seller was made aware of by the Purchaser, prior to the relevant point in time when the term is reckoned by any of the Parties. The term <b>“prospective customer or client”</b> in this context shall mean any prospective customer or client of the Group Company to whom the Company has, in the course of pursuit of its respective businesses submitted either a proposal or a response for a proposal for consideration by the prospective customer or client during the immediately preceding 12 (twelve) months from the date of such evaluation as to whether the customer is a prospective customer or client or not;</p>
<p><b>“Restrictive Period”</b></p>	<p>means either the period: (i) when the Promoter Seller holds any shares in the Company or is in the employment of the Company; or (ii) 24 (Twenty-Four) calendar months after the date of separation of the Promoter Seller from his employment with the Company or sale of the Shares held by the Promoter Seller in the Company, whichever is later;</p>
<p><b>“Sale Shares”</b></p>	<p>means 1,23,538 (One Lakh Twenty Three Thousand Five Hundred and Thirty Eight) Equity Shares of the Company, as more particularly set out in <b>Part A of Schedule 1</b>;</p>
<p><b>“Shares”</b></p>	<p>means all classes of shares in the share capital of the Company, issued or issuable from time to time, and shall be deemed to include:</p> <ul style="list-style-type: none"> <li>(i) all bonus shares issued in respect of such shares;</li> <li>(ii) shares issued pursuant to a stock split in respect of such shares; and</li> <li>(iii) any other instrument convertible into</li> </ul>

	Equity Shares, including any preference shares;
<b>“Shareholders”</b>	means the holders, of the record, of any Shares of the Company from time to time (or any of such Shares as appropriate);
<b>“Shareholders’ Agreement”</b>	means the shareholders’ agreement dated October 08, 2020 executed by and amongst the Purchaser, the Company, the Promoter Seller and the Other Sellers as amended, restated and/or supplemented from time to time;
<b>“Sellers’ Bank Account”</b>	means the bank account details of the Sellers, the wire / electronic transfer details of which is set out in <b>Part A</b> of <b>Schedule 1</b> ;
<b>“Seller Warranties”</b>	means the representations and warranties set out in <b>Schedule 2</b> and “ <b>Seller Warranty</b> ” means any one of them;
<b>“Subscription Amount”</b>	shall mean the aggregate amount be paid by the Purchaser to the Company as set out in <b>Part B</b> of <b>Schedule 1</b> ;
<b>“Subscription Price Per Share”</b>	shall mean the amount to be paid in respect of each Subscription Share as set out in <b>Part B</b> of <b>Schedule 1</b> ;
<b>“Subscription Shares”</b>	means the number of Equity Shares to be issued by the Company to the Purchaser under this Agreement, as set out in <b>Part B</b> of <b>Schedule 1</b> ;
<b>“Tax” or “Taxes”</b>	shall mean any and all forms of direct and indirect taxes with reference to income, profits, gains, surcharge, cess, net wealth, asset values, turnover, gross receipts including but not limited to all duties (including stamp duties), excise, customs, goods and service tax, tax on capital gains, business income, withholding tax, minimum alternate tax, advance tax, buyback and dividend distribution taxes, tax collected at source, charges, fees, levies or other similar assessments by or payable to a Governmental Authority (including its agent and Persons acting under its authority), including without limitation in relation to: (a) income, manufacture, import, export, services, gross receipts, premium, immovable property, movable property, assets, profession, entry, capital gains, wealth, gift, sales, transfer, licensing, withholding, ; (b) any tax liability in the capacity of an agent or

	a representative assessee under Section 163 of the Income Tax Act, 1961 (“IT Act”); and (c) any interest, fines, penalties, assessments, or additions to Tax resulting from, attributable to or incurred in connection with any proceedings, contest, or dispute in respect thereof;
“Tax Authority”	means any Governmental Authority having the power or authority to impose, administer or collect any Tax or enforce any Applicable Law in relation to Tax in India;
“Tax Warranties”	means the Company Warranties contained at paragraph 7 ( <i>Taxes And Statutory Registers/Forms/Filings</i> ) of <b>Schedule 4</b> ;
“281 Tax Report”	means a report issued by a chartered accountant (acceptable to the Purchaser), in a form and substance acceptable to the Purchaser, on reliance basis, and at the relevant Seller’s cost, specifying that there are no demands outstanding and no pending claims, audits, suits, proceedings, disputes, demands, investigations or notices or appeals or litigation against or with respect to such Seller under Section 281 of the IT Act and Rule 2 of Second Schedule of IT Act, including relevant screen shots in respect of each Seller as set out in the portal of the Tax Authority;
“Third Party”	means any Person other than the Parties;
“Valuation Reports”	means (i) a report (in a form satisfactory to the Purchaser) setting out the value of the Sale Shares and the Subscription Shares as per Section 50CA and Section 56(2)(x) of the IT Act read with Rule 11UA and Rule 11UAA of the Income Tax Rules, 1962, (ii) a report (in a form satisfactory to the Purchaser) as per Section 56(2)(viib) of the IT Act read with Rule 11UA of the Income Tax Rules, 1962 and as per the provisions of the Foreign Exchange Management Act, 1999 obtained from a merchant banker, on which reliance can be placed by the Sellers and the Purchaser, and (iii) a report (in a form satisfactory to the Purchaser) from a registered valuer setting out the value of the Subscription Shares as per the provisions of the Act;

1.2. Interpretation:

- (a) The table of contents and headings set forth in this Agreement are for convenience of reference only and shall not affect or be deemed to affect, in any way, the meaning or interpretation of this Agreement or any term or provision hereof.
- (b) Unless otherwise indicated, all references herein to Clauses, Paragraphs, Annexures or Schedules, shall be deemed to refer to Clauses, Paragraphs, Annexures or Schedules, as the case may be, of or to this Agreement. The expression “this Clause” or “this Paragraph” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause or Paragraph (not merely the sub-Clause or sub-Paragraph) in which the expression occurs.
- (c) The Recitals, Annexures and Schedules form an integral part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement.
- (d) Words of either gender are deemed to include all other genders and words using the singular also include the plural, and *vice versa*, and where a word or phrase is defined, its other grammatical forms have the corresponding meaning.
- (e) The words “include”, “includes” and “including” mean “include”, “includes” and “including”, in each case, “without limitation”.
- (f) Any reference to “writing” shall include printing, typing and other means of reproducing words in visible form and includes any communication made by electronic mail.
- (g) Any reference to a statute, ordinance, or other Applicable Law shall be deemed to include any references to such statute, ordinance or other Applicable Law in force as of the date of this Agreement (together with all regulations promulgated thereunder), in each case, as may be amended, re-enacted, supplemented, consolidated or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided.
- (h) Any reference to a document in “agreed form” is to the form of the relevant document agreed between the Purchaser, the Company and the Sellers (as applicable, and in each case with such amendments as may be agreed between them) and any reference to the term “mutually agreed” or any other similar term, shall mean agreed between the Purchaser, the Company and the Sellers.
- (i) Any reference to the Sellers’ knowledge or any other similar expression, means that the relevant Seller Warranty and/or Company Warranty is based on the actual knowledge or awareness of the relevant Seller after making due, diligent and careful inquiry into the relevant facts.
- (j) Time is of the essence in the performance of the Parties’ respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence.
- (k) Unless otherwise specified, time periods within or following which any payment is to be made, or any act is to be done, shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period

shall be extended to the next Business Day following the day on which it would otherwise end.

- (l) The Parties agree that they have been represented by counsel during the negotiation and execution of this Agreement and, therefore, waive the application of any Applicable Law, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting this Agreement.

## 2. **SALE AND PURCHASE OF SALE SHARES AND SUBSCRIPTION OF SUBSCRIPTION SHARES**

- 2.1 At Completion, each Seller shall sell and transfer their respective Sale Shares to the Purchaser, together with all rights, title and interest attaching to the Sale Shares and free and clear of any Encumbrances, and the Purchaser shall, relying on the Seller Warranties and the Company Warranties purchase the Sale Shares in accordance with and subject to the terms and conditions set out in this Agreement.
- 2.2 Subject to the terms and conditions of this Agreement (including satisfaction of the Conditions Precedent set out at Clause 5 and **Schedule 5**), and relying on the Company Warranties, warranties and the other covenants and undertakings of the Promoter Seller and the Company in this Agreement, the Purchaser shall subscribe to, and the Company shall issue to the Purchaser, the Subscription Shares for the Subscription Amount in accordance with the terms and conditions of this Agreement.
- 2.3 Notwithstanding anything to the contrary contained in this Agreement, the Purchaser shall not, by virtue of execution of this Agreement or the consummation of the transaction contemplated herein, be or become liable for any past, present or future obligations of the Sellers with respect to or arising out of his ownership of the Sale Shares up to the Completion Date.
- 2.4 The Purchaser shall not be obliged to complete the purchase of any of the Sale Shares unless: (i) the purchase of all the Sale Shares and the subscription of the Subscription Shares; and (ii) purchase of all Shares in accordance with the Investor SPA, are completed simultaneously.

## 3. **PAYMENT OF CONSIDERATION**

- 3.1. The Purchaser shall pay the relevant portions of the Consideration to the Sellers for the Sale Shares, by wire transfer to the Sellers' Bank Accounts on the Completion Date, subject to withholding of Tax (if any) as required under Applicable Laws.
- 3.2. Any income-tax liability under the IT Act or in any other relevant jurisdiction of any Seller on the sale of its respective Sale Shares shall be the sole liability of, and shall be borne only by, such Seller, without any recourse or liability to the Purchaser.

## 4. **CONDUCT BEFORE THE COMPLETION DATE**

- 4.1. From the Execution Date until the Completion Date or the termination hereof, the Company shall not, and the Promoter Seller shall ensure that neither the Company nor any director (other than any director appointed by the Purchaser), officer, committee,

committee member, employee, agent or any of their respective delegates shall, without the prior written consent of the Purchaser,

- (a) take any of the actions listed in Annexure 4 (*Reserved Matters of the Investor*) of the Shareholders' Agreement;
- (b) take on record any transfer of Shares held by any Person in the Company (other than as set out in this Agreement and the Investor SPA);
- (c) directly or indirectly, participate in, solicit or encourage (or permit any other Person acting on its behalf to do so) negotiations or discussions with any Third Party relating to the issue, allotment, sale or transfer in any form of any of the Shares (or voting shares or other securities of the Company) and/or any of its assets or enter into any agreement or arrangement with any other Person in relation to such matters, except as set out under this Agreement and the Investor SPA;
- (d) other than the Redundant Insurances, permit any of the Company's insurances required for the conduct of the business or for the premises that the Company intends to use for the business to lapse or do anything which would make any policy of insurance void or voidable;
- (e) make any change to its policies with regard to working capital, including by delaying or accelerating payments of accounts payable or modifying collection terms of accounts receivable; and
- (f) write-off debts or the value of any of the Company's assets.

4.2. Further, the Company and the Promoter Seller agree and undertake that till the Completion Date, the business of the Company shall be carried on in the Ordinary Course of Business and in compliance with Applicable Law.

4.3. In the event any of the provisions of this Clause 4 are breached, the Purchaser shall have the right to forthwith terminate this Agreement and the Investor SPA with respect to all parties hereto and thereto.

## 5. **CONDITIONS PRECEDENT**

5.1. The obligations of the Purchaser to proceed to Completion is in all respects conditional upon the completion (or waiver in writing by the Purchaser) of the conditions precedent by the Company and/or the relevant Seller (as applicable), and as set out in **Schedule 5** to the satisfaction of the Purchaser (the "**Conditions Precedent**") on or before 30 (Thirty) Business Days from the Execution Date or such other later date as may be agreed between the Parties in writing ("**Long Stop Date**");

5.2. Each Seller shall promptly give notice to the Purchaser of the satisfaction of the Conditions Precedent immediately upon becoming aware of the same, which satisfaction shall be confirmed by the Purchaser. In the event any Seller becomes aware of anything, which will or is likely to prevent the Conditions Precedent from being satisfied by the time and date required by this Agreement, such Seller shall forthwith notify the Purchaser in writing.

6. **COMPLETION**

- 6.1. Notwithstanding anything to the contrary, the Parties acknowledge and agree that the obligation of the Purchaser to proceed with the Completion is (i) interdependent and inter-conditional upon completion occurring simultaneously under the Investor SPA; and (ii) fulfilment of the Conditions Precedent (or waiver, as the case may be) to the satisfaction of the Purchaser on or prior to the Long Stop Date. Subject to the aforesaid, Completion shall take place on the Completion Date, at the registered office of the Company or at such other place as may be agreed between the Parties in writing.
- 6.2. On the Completion Date, the following actions shall occur in the following order, but more or less simultaneously, and Completion shall not be deemed to have occurred until all the actions included in this Clause 6.2 have been completed:
- (i) the Company shall obtain exemption letters from the statutory auditor with respect to non-attendance of the statutory auditor in the general meetings including the annual general meetings held from financial year 2020-21 onwards and share the same with the Purchaser;
  - (ii) the Purchaser shall remit (i) the Promoter Seller's portion of the Consideration (subject to withholding taxes (if any) under Applicable Laws), (ii) the Employee Seller's portion of the Consideration, each to the relevant Sellers' Bank Accounts as set forth in Clause 3 above;
  - (iii) the Purchaser shall remit the Subscription Amount to the Company's Bank Account, and share the relevant Unique Transfer Reference number ("UTR Number") evidencing (x) the remittance of the relevant portion of the Consideration to the Sellers' Bank Accounts with the Sellers and (y) the remittance of the Subscription Amount to the Company's Bank Account with the Promoter Seller;
  - (iv) simultaneously with receipt of the UTR Number by the relevant Seller, the relevant Seller shall deliver to the Purchaser a duly stamped share transfer form executed by him/her in respect of the Sale Shares along with the original share certificates in respect of the Sale Shares duly endorsed in favour of the Purchaser;
  - (v) each Seller shall pay adequate stamp duty as required under Applicable Law for the sale and transfer of such Seller's Sale Shares;
  - (vi) the Company shall and the Promoter Seller shall cause the Company to, convene a meeting of its board of directors in accordance with Applicable Law, at which meeting, the board of directors of the Company shall:
    - (a) take on record the transfer of the Sale Shares from the Sellers to the Purchaser;
    - (b) approve the allotment of the Subscription Shares to the Purchaser;
    - (c) to make the required entries to update the register of members and register of share transfers (as applicable) of the Company to record (1) the transfer of the Sale Shares from the Sellers to the Purchaser, (2) the

issuance of the Subscription Shares to the Purchaser, and (3) to record the Purchaser as the shareholder of the Company holding the Sale Shares and the Subscription Shares;

- (d) approve the agreed form of the Amended Articles;
- (e) to take on record the resignation of Mr. Swaminathan Rajagopal from the board of directors of the Company and the cessation of his directorship in the register of directors;
- (f) to appoint of Mr. Ramneek Khurana (as the nominee of Purchaser) on the board of directors of the Company and recording the name of such nominee in the register of directors;
- (g) approve a change in the authorized signatory (1) for all the bank accounts held by the Company, and (2) in relation to the documentation that may be required to be executed for any loan that may be availed by the Company or any other services that the Company may avail from a bank, to Mr. Ramneek Khurana and the Promoter Seller (as the nominee of Purchaser) in the manner noted below:
  - (i) All revenue agreements of the Company shall require prior written consent of Mr. Ramneek Khurana – timelines for responding on such approval shall be 7 (seven) Business Days from written communication/ request for approval on contract.
  - (ii) All expenses of the Company (*other than payroll*): all purchase orders / proforma invoices up to INR 5,00,000 (Indian Rupees Five Lakhs only) shall require prior written consent of the Promoter Seller and all purchase orders / proforma invoices above INR 5,00,000 (Indian Rupees Five Lakhs only) shall require prior written consent of Mr. Ramneek Khurana.
  - (iii) Any bank payments (*excluding payroll*)- up to INR 5,00,000 (Indian Rupees Five Lakhs only) shall require Promoter Seller's prior written consent and any item / payments above INR 5,00,000 (Indian Rupees Five Lakhs only) shall be approved in writing jointly by Promoter Seller's and Mr. Ramneek Khurana.
- (h) ratify the non-attendance of the statutory auditor in the general meetings including the annual general meetings held from financial year 2020-21 onwards;
- (i) convene an extraordinary general meeting at shorter notice to approve the agreed form of the Amended Articles; and
- (j) to authorize the requisite personnel of the Company to make all filings that are required to be made by the Company under Applicable Law with any Governmental Authorities, pursuant to the actions undertaken on the Completion Date.

- (vii) the Company shall file e-form DIR-12 in respect of the actions set out at sub-clause (v)(e) and (f) above, and share a copy of the filed form along with the challan evidencing the filing with the Purchaser;
  - (viii) the Company shall convene an extra-ordinary general meeting of its shareholders at shorter notice, at which meeting, the agreed form of the Amended Articles shall be approved;
  - (ix) the Company shall enter into amended, restated and duly stamped employment agreements with its each of its Key Employees; and
  - (x) the Company shall deliver certified true copies of the documents mentioned in sub-clause (v) and (vii) above to the Purchaser and the Sellers.
- 6.3. All transactions contemplated by this Agreement to be consummated on the Completion Date shall be deemed to occur simultaneously (i) with each of the transactions set out in Clause 6.2 of this Agreement, and (ii) with each of the transactions set out in Clause 5.2 of the Investor SPA, and no such transaction shall be consummated unless all such transactions are consummated at the same time. If for any reason whatsoever, closing under the Investor SPA does not occur by the Completion Date and the Investor SPA is terminated in accordance with its terms, Completion under this Agreement shall not occur and this Agreement shall stand terminated automatically. The relevant parties shall take all measures and do all acts, deeds, matters and things as may be required to ensure that all the events contemplated under Clause 6.2 are initiated and completed on the Completion Date.
- 6.4. On the Completion Date, the Sellers shall have provided the Purchaser with signed copies of all the documentation prepared by the Sellers for the filing of Form DI on the FIRMS portal of the Reserve Bank of India.

7. **CONDITIONS SUBSEQUENT AND COVENANTS**

- 7.1. The Company shall, and the Promoter Seller shall cause the Company to, duly fulfill each of the conditions subsequent enumerated at **Schedule 6**, to the satisfaction of the Purchaser as per the timelines prescribed for the fulfillment of such conditions.
- 7.2. In respect of the memorandum of understanding dated April 16<sup>th</sup>, 2019 executed by and amongst the Company, the Promoter Seller and the Employee Seller (“**MOU**”), the Employee Seller hereby agrees, acknowledges and covenants as follows:
- (i) 2,000 (Two Thousand) Equity Shares jointly held between the Promoter Seller and the Employee Seller (“**Incentive Shares**”) were to be transferred for no consideration to the Employee Seller upon the expiry of 3 (Three) years from the date of execution of the MOU. The Employee Seller hereby unconditionally and irrevocably waives any right with respect to such transfer, and hereby confirms that the Incentive Shares continue to be held jointly between her and the Promoter Seller as of the Execution Date;
  - (ii) In respect of the Incentive Shares which form part of the Sale Shares under this Agreement, the Employee Seller acknowledges that the Consideration payable

shall be split equally between her and the Promoter Seller as joint owners of the Incentive Shares; and

- (iii) Upon execution of this Agreement by the Employee Seller, the MOU shall stand terminated without any rights (accrued or otherwise) continuing to subsist. Further, the Employee Seller hereby unconditionally and irrevocably releases, waives and forever discharges, effective upon the Execution Date, the Company, and its respective current or former directors, officers, employees, representatives, shareholders and members (in their capacities as such) including the Promoter Seller, from any and all claims, rights, remedies, demands, causes of action, injunctions, arbitrations or losses of any nature, amount or kind, in Applicable Law or equity (including any claims based on breach of fiduciary duty), past or present, known or unknown, suspected or unsuspected, matured or unmatured, in respect of any matter arising out of the MOU.

## 8. WARRANTIES

### 8.1. Seller Warranties: Each Seller hereby severally represents and warrants as follows:

- (i) Each Seller severally represents and warrants to the Purchaser, that each of the Seller Warranties are true, correct and accurate in all respects and are not misleading in any manner, as on the Execution Date and the Completion Date.
- (ii) Each Seller acknowledges that the Purchaser is entering into this Agreement on the basis of and in reliance upon the Seller Warranties. Each Seller Warranty shall be separate and independent and shall not be limited by reference to or inference from any other Seller Warranty or by anything contained in this Agreement.
- (iii) If after the Execution Date and before Completion, any Seller shall become aware of any event or matter which constitutes or may constitute a breach of or be inconsistent with any of the Seller Warranties, such Seller undertakes to immediately notify the Purchaser in writing fully thereof.
- (iv) If a breach of any Seller Warranty occurs prior to Completion, the Purchaser shall be entitled, (in addition to and without prejudice to all other rights or remedies available to it and its successors in title including, but not limited to, the right to claim damages), by notice in writing to the Sellers to terminate this Agreement and to terminate the Investor SPA. It is hereby clarified that failure by the Purchaser to exercise this right shall not constitute a waiver of any other rights of the Purchaser or its successors in title arising out of any breach of such Seller Warranties.

### 8.2. Purchaser Warranties

- (a) The Purchaser represents and warrants to the Company and the Sellers that each of the Purchaser Warranties are true, correct and accurate in all respects and are not misleading in any manner, as on the Execution Date and the Completion Date.
- (b) Each Purchaser Warranty shall be separate and independent and shall not be limited by reference to or inference from any other Purchaser Warranty or by anything contained in this Agreement.

- (c) The Purchaser shall notify the Company and the Sellers of anything which is expected or may be expected to cause a breach of, or be inconsistent with, any of the Purchaser Warranties promptly after it comes to the Purchaser's notice whether before, at the time of or after the Completion Date.

### 8.3. Company Warranties

- (i) Subject to the Disclosure Letter, the Promoter Seller represents and warrants to the Purchaser, that each of the warranties set out in Schedule 4 ("**Company Warranties**") are true, correct and accurate in all respects and are not misleading in any manner, as on the date Execution Date and the Completion Date.
- (ii) The Promoter Seller acknowledges that the Purchaser is entering into this Agreement on the basis of and in reliance upon the Company Warranties. Each Company Warranty shall be separate and independent and shall not be limited by reference to or inference from any other Company Warranty or by anything contained in this Agreement.
- (iii) If after the Execution Date and before Completion, the Promoter Seller shall become aware of any event or matter which constitutes or may constitute a breach of or be inconsistent with any of the Company Warranties, the Promoter Seller undertakes to immediately notify the Purchaser in writing fully thereof.
- (iv) If a breach of any Company Warranty occurs prior to Completion, the Purchaser shall be entitled, (in addition to and without prejudice to all other rights or remedies available to it and its successors in title including, but not limited to, the right to claim damages), by notice in writing to the Sellers to terminate this Agreement and to terminate the Investor SPA. It is hereby clarified that failure by the Purchaser to exercise this right shall not constitute a waiver of any other rights of the Purchaser or its successors in title arising out of any breach of such Company Warranties.

- 8.4. No information of which the Purchaser or any of its affiliates has knowledge (actual or constructive), and no investigation by or on behalf of the Purchaser or any of its agents, representatives, officers, employees or advisers, shall prejudice any claim made by the Indemnified Party against any Seller, or operate to reduce any amount recoverable thereunder. The Seller Warranties and the Company Warranties shall not be affected, limited or deemed waived, by any information disclosed or made available to, or received by, the Purchaser or its representatives (whether pursuant to this Agreement or otherwise) or by reason of the fact that the Purchaser or its representatives knew or ought to have known that any such Seller Warranty or the Company Warranty is, was, or might be inaccurate. It shall not be a defense to any claim against any Seller that the Indemnified Party knew, or ought to have known, or had constructive knowledge of any information relating to the circumstances giving rise to such claim.

## 9. INDEMNIFICATION

### 9.1. Promoter Seller Indemnification

- (a) The Promoter Seller hereby severally agrees to indemnify and hold harmless the

Indemnified Party against any and all direct losses, damages, Taxes, costs, liabilities, fines, penalties or expenses (including without limitation, reasonable attorneys' fees and disbursements but excluding any indirect, consequential, remote, special or punitive losses) (collectively, "**Losses**") incurred or suffered from:

- (i) any breach or inaccuracy of the Promoter Seller's Seller Warranties and/or the Company Warranties set forth under **Schedule 2** and **Schedule 4** respectively; and/or
- (ii) breach of, non-fulfilment of, or failure to perform (whether in whole or part), the Promoter Seller's and/or the Company's obligations under this Agreement; and/or
- (iii) Any fraud on part of the Promoter Seller; and/or
- (iv) Any gross negligence and willful misconduct on part of the Promoter Seller and/or the Company, on or prior to the Completion Date;
- (v) Specific indemnities as detailed below ("**Specific Indemnities**"):
  - Any claims arising out of a failure to implement security practices in compliance with standards such as IS/ISO/IEC 27001 on Information Technology – Security Techniques – Information Security Management System – Requirements;
  - Any non-compliance with cyber security directions issued by the Ministry of Electronics and Information Technology dated April 28, 2022 prior to the Completion Date;
  - Any non-compliance with the provisions of the POSH Act;
  - Any costs to the Company over and above the expenses identified in Annexure B; and / or
  - Any penalties arising from delay in tax related filings required under Applicable Laws.

(each a "**Promoter Seller Indemnification Event**").

## 9.2. Employee Seller Indemnification

- (a) The Employee Seller hereby severally agrees to indemnify and hold harmless the Indemnified Parties against Losses incurred or suffered from:
  - (i) any breach or inaccuracy of the Employee Seller's Seller Warranties set forth under **Schedule 2** (as relevant to the Employee Seller); and/or
  - (ii) breach of, non-fulfilment of, or failure to perform (whether in whole or part), the Employee Seller's obligations under this Agreement; and/or

- (iii) any fraud, gross negligence and willful misconduct on part of the Employee Seller

(each an “**Employee Seller Indemnification Event**”).

### 9.3. Indemnification Claim Procedure

9.3.1. In the event that an Indemnified Party suffers or incurs any Loss in respect of an Indemnification Event, the Indemnified Party shall assert a claim for indemnification by written notice (“**Indemnity Claim Notice**”) to the Indemnifying Party within 15 (Fifteen) Business Days of becoming aware of such indemnity claim. Notwithstanding the foregoing, a delay or failure in issuing an Indemnity Claim Notice shall not relieve the Indemnifying Party of its indemnification obligations under this Agreement and shall not prejudice the right of the Indemnified Party to seek indemnification in accordance with the terms hereof.

9.3.2. The Indemnifying Party shall, within a period of 15 (Fifteen) Business Days from receipt of such Indemnity Claim Notice (“**Due Date**”), provide written notice to the Indemnified Party accepting or disputing such claim for indemnification (“**Response Notice**”). If the Indemnifying Party disputes its obligation or liability with respect to any Claim made by the Indemnified Party under Clause 9, such dispute shall be resolved in accordance with Clause 10.6. The amount that an Indemnifying Party is liable to pay to the Indemnified Party under an Indemnity Claim Notice if agreed to and accepted by the Indemnifying Party in the Response Notice issued by the Indemnifying Party shall be paid by the Indemnifying Party to the Indemnified Party within 15 (Fifteen) Business Days from the date of the Response Notice, if any, issued by the Indemnifying Party. The disputed amount shall be paid pursuant to the outcome of the resolution of the dispute in accordance with Clause 10.6, if so determined to be payable.

### 9.3.3. Third Party Claims:

- (a) In the event that a claim is incurred by an Indemnified Party pursuant to any claim brought by a Third Party (“**Third Party Claim**”), the Indemnifying Party may assume the defence of such claim and expenses related to such defence shall be borne by the Indemnifying Party or its insurers. The Indemnified Party shall extend all reasonable cooperation to the Indemnifying Party in such defence, at no additional cost to the Indemnified Party. Provided that, (i) the indemnity obligation of the Indemnifying Party will arise as soon as the Indemnified Party suffers a loss (and the Indemnified Party will not be obligated to go out-of-pocket for any such claim) and if during the course of defence or as a result of the proceedings of the case in relation to a Third Party Claim, the Indemnified Party is required to make any interim, final or other payment or give any deposit undertakings, including making of deposits, if any, as requested by the Indemnified Party for the purpose of furnishing any undertakings or guarantees or guarantee of any nature whatsoever, the same will be paid, borne or furnished by the Indemnifying Party and not the Indemnified Party; (ii) the Indemnifying Party shall keep the Indemnified Party informed

regarding the process with respect to such Third Party Claim and provide all copies of any notices, correspondence or other documents relating to the Third Party Claim and related proceedings; (iii) the Indemnified Party shall have the right to appoint an advisor at its own cost who shall have the right to consult the Indemnifying Party in connection with such defence; and (iv) the Indemnifying Party shall not without the prior written consent of the Indemnified Party settle, compromise or consent to the entry of any judgment unless such settlement or compromise releases the Indemnified Party completely and unconditionally from any liability in connection with such Third Party Claim (including, for avoidance of doubt any penalty proceedings whether initiated or otherwise, consequent to such Third Party Claim) and involves no reputational risk or loss of goodwill to the Indemnified Party.

- (b) In the event the Indemnifying Party elects not to assume the defence of a Third Party Claim or fails to exercise the right to assume the defence of such Third Party Claim within 15 (Fifteen) Business Days of receipt of notice for such Third Party Claim, the Indemnified Party shall have the right (but not the obligation) to assume the defence of such Third Party Claim and the expenses related to such defence shall be borne by the Indemnifying Party or its insurers. The Indemnifying Party shall extend all necessary cooperation to the Indemnified Party in such defence. The Indemnified Party shall have the right to settle, compromise or consent to the entry of any judgement in relation to such Third Party Claim.

9.3.4. Notwithstanding any other provision of this Agreement, the Parties acknowledge and agree that no limitations of liability in respect of the indemnity obligations of any Indemnifying Party, as applicable, and as set out under this Clause 9 shall apply to any claims that are made by an Indemnified Party pursuant to this Agreement with respect to any Losses arising in connection with fraud, gross negligence and/or wilful misconduct, and breach of any Fundamental Warranties by the relevant Indemnifying Party.

9.4. No Restitution: The Indemnifying Party shall not seek restitution from the Company for any amounts paid by the Indemnifying Party to the Indemnified Party under this Clause 9; and in relation to the Sale Shares, and the Indemnifying Party expressly waives all rights under Applicable Law, equity or otherwise in respect of such restitution.

9.5. Indemnification Periods:

- (a) Each Indemnifying Party shall be liable without limitation in time with respect to any indemnity claim arising (x) pursuant to a breach of Fundamental Warranties, or (y) as a result of the Promoter Seller Indemnification Events at Clause 9.1(a)(iii), 9.1(a)(iv) and Specific Indemnities and/or (z) as a result of the Employee Seller Indemnification Event at Clause 9.2(a)(iii) (each, as applicable).
- (b) Notwithstanding anything contained in this Agreement, the time limit for any indemnity claim arising pursuant to a breach of Tax Warranties shall be the statutory period of limitation prescribed for such claims under Applicable Law.

- (c) Notwithstanding anything contained in this Agreement but subject to sub-clause (a) and (b) above, the time limit for any other indemnity claims shall be 3 (Three) years from the Completion Date.

9.6. Aggregate Cap:

- (a) The aggregate liability of the Promoter Seller in relation to any and all claims arising out of this Clause 9 shall not exceed 50% (Fifty percent) of the aggregate of the Consideration (the “**Promoter Seller Aggregate Cap**”), provided that the Aggregate Cap will not be applicable to any claims arising out of breach of Fundamental Warranties and/or the of the Promoter Seller Indemnification Events at Clause 9.1(a) (iii), 9.1(a)(iv) and Specific Indemnities.
- (b) The aggregate liability of the Employee Seller in relation to any and all claims arising out of this Clause 9 shall not exceed 50% (Fifty percent) of the respective portion of the Consideration for the Employee Seller (the “**Employee Seller Aggregate Cap**”), provided that the Employee Seller Aggregate Cap will not be applicable to any claims arising out of the Employee Seller Indemnification Event at Clause 9.2(a)(iii).

- 9.7. All indemnity payments under this Clause will be grossed-up for Taxes, if applicable, such that the Indemnified Party receives the amount of Losses as stated in Indemnity Claim Notice on net basis.

10. MISCELLANEOUS

10.1. Restrictive Covenants

- (a) Non-Compete: During the Restrictive Period the Promoter Seller shall not carry on or engage in directly or indirectly in any business which competes directly or indirectly with the Restricted Business, other than through the Company or a Group Company.
- (b) Non Solicitation of Restricted Customers: During the Restrictive Period the Promoter Seller shall not, directly or indirectly, irrespective of whether the relationship between the Company and the Restricted Customer was originally established in whole or in part through the Promoter Seller’s efforts; (i) solicit any Restricted Business from any Restricted Customer (ii) persuade any Restricted Customer to cease doing Restricted Business with the Group Company; (iii) reduce the amount of Restricted Business which any Restricted Customer has customarily done or might propose doing with the Group Company.
- (c) It is the intention of the Parties that the provisions of this Clause 10.1 be enforced to the fullest extent permissible under the laws and policies of each jurisdiction in which enforcement may be sought, and that the unenforceability (or the modification to conform to such laws or policies) of any provisions of this Clause 10.1 shall not render unenforceable, or impair, the remainder of the provisions of this Clause 10.1. Each of the restrictions in each clause or sub-clause above shall be enforceable by the Purchaser independently of each other and its validity shall not be affected if any of the other restrictions are invalid.

- (d) Further, if any provision of this Clause 10.1 shall be found to be void but would be valid if some part thereof was deleted or the scope, period or area of application were reduced, the above restriction shall apply with the deletion of such words or such reduction of scope, period or area of application as may be required to make the restrictions contained in this clause valid and effective. Provided however that on the revocation, removal or diminution of the law or provisions, as the case may be, by virtue of which the restrictions contained in this clause were limited as provided hereinabove, the original restrictions would stand renewed and be effective to their original extent, as if they had not been limited by the law or provisions revoked.
- (e) The Company has a material interest in preserving the relationships it has developed with its customers. Accordingly, the Promoter Seller agrees and acknowledges that the restrictions and covenants contained in this Clause 10.1 are: (i) reasonable in view of the Consideration and / or any other consideration / incentive paid by the Purchaser to the Promoter Seller; (ii) reasonably required for the protection of the Company and its goodwill; (iii) of the essence to this Agreement and constitute a material inducement to the Purchaser to enter into this Agreement, in the absence of which inducement, the Purchaser would not enter into this Agreement; and (iv) required to protect the value of the Company.
- (f) The Promoter Seller has obtained professional advice and agrees and acknowledges that each of the prohibitions and restrictions contained in this Clause 10.1: (a) are fair and reasonable as to period, scope, territorial limitations and subject matter for the legitimate protection of the Business and goodwill of the Purchaser and the Company; and (b) does not prevent the Promoter Seller and his affiliates from earning a livelihood; (c) shall not be construed to be a restraint of trade against the Promoter Seller and his affiliates and relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations will cause the Purchaser and the Company as the case may be, irreparable injury which cannot be calculated by way of monetary damages.
- (g) In addition to the above, the employment agreements provide for certain provisions on the non-compete and non-solicitation obligations of other employees of the Company, pursuant to and in connection with the transaction contemplated under this Agreement. The Promoter Seller hereby agrees to undertake best efforts to ensure compliance by the relevant employees with the said obligations.
- (h) The Company shall, after the Completion Date, be obligated to seek the prior written approval, as applicable, of Mr. Ramneek Khurana and the Promoter Seller (and such approval shall not be unreasonably withheld or delayed) in the manner provided below:
- (i) **All contracts that result in generation of revenue for the Company:** The Company shall seek the prior written approval of Mr. Ramneek Khurana. Mr. Ramneek Khurana shall be required to provide his written response on a request for approval raised by the Company within 7 (seven) Business Days of the request being raised in writing;
- (ii) **Expenses:** The Company shall seek the prior written approval of: (x) Promoter Seller, for incurring any expense below INR 5,00,000; and (y) Ramneek

Khurana, for incurring any expense (*other than any payroll related expense*) above INR 5,00,000. Ramneek Khurana and the Promoter Seller shall be required to provide their response to a request for approval raised by the Company within 7 (seven) Business Days of the request being raised in writing; and

- (iii) **Payments made from the bank account of the Company:** The Company shall seek the prior written approval of: (x) Promoter Seller, prior to making any payments from the bank account of the Company that is below INR 5,00,000; and (y) Ramneek Khurana and the Promoter Seller, prior to making any payments from the bank account of the Company that is (other than for payroll related payments) above INR 5,00,000. Ramneek Khurana and the Promoter Seller shall be required to provide their response to a request for approval raised by the Company within 7 (seven) Business Days of the request being raised in writing.

The Board shall record the obligation of the Company under this Clause 10.1(h) in a resolution passed at a meeting of the Board as on the Completion Date. Further, it is agreed and understood amongst the Parties that all expenses/payments for each particular matter shall be aggregated while seeking approval under this Clause 10.1(h), and separate expenses/payments for a particular matter shall not be measured individually against the thresholds set out herein.

- (i) The Purchaser agrees to cooperate fully with the Promoter Seller and/or the Company and to execute and deliver such further documents, certificates, agreements and instruments and to take such other actions as may be reasonably requested by the Promoter Seller and/or the Company to carry out the intent and purposes of this Agreement.

10.2. **Termination:** This Agreement shall continue in full force and effect unless terminated, prior to the Completion Date:

- (a) by the mutual written agreement of the Parties;
- (b) by the Purchaser:
  - (i) in the event a Material Adverse Effect occurs;
  - (ii) in the event the Conditions Precedent are not fulfilled to the Purchaser's satisfaction on or before the Long Stop Date;
  - (iii) in the event of a breach as per Clause 8.1(iv), Clause 8.3(iv), Clause 6.3 and/or Clause 4.3; and
  - (iv) simultaneous with the termination of the Investor SPA in accordance with the terms thereof.

10.3. **Consequences of Termination:**

- (a) The termination of this Agreement shall not affect any rights, remedies, obligations or liabilities of any Party that have or may have accrued prior to the date of

termination.

- (b) Notwithstanding anything provided for under this Agreement, in the event the Purchaser has remitted the Consideration to the Sellers and the Subscription Amount to the Company and (i) Completion cannot be achieved; and/or (ii) completion cannot be achieved under the Investor SPA, by the Completion Date, the Purchaser shall have the option (but not the obligation) to:
  - (i) defer the Completion to a later Business Day (not being more than 10 (Ten) Business Days after the original date for Completion) in which case the relevant provisions governing closing shall apply to the Completion so deferred but on the basis that such deferral may only occur once (unless decided otherwise by the Purchaser); or
  - (ii) require (i) each of the Sellers to refund their respective portions of the Consideration paid by the Purchaser (ii) the Company to, and the Promoter Seller to ensure that the Company shall, refund the Subscription Amount, promptly and no later than 10 (Ten) Business Days from the date of the Purchaser seeking such refunds.

10.4. Survival: Any provision that expressly or by implication is intended to come into or continue in force on or after termination, including the provisions of Clause 1 (*Definitions*), 9 (*Indemnification*), 10.3 (*Consequences of Termination*), 10.5 (*Further Assurances*), 10.6 (*Governing Law; Jurisdiction; Arbitration*), 10.7 (*Confidentiality*), 10.8 (*No Partnership*), 10.9 (*Assignment*), 10.10 (*Costs and Expenses*) 10.11 (*Entire Agreement; Amendment and Waiver*), 10.12 (*Notices*), 10.13 (*Delays or Omissions*), 10.14 (*Severability*), 10.15 (*Counterparts*) and this Clause 10.4 shall survive termination of this Agreement.

10.5. Further Assurances: Each of the Parties hereto shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the intentions of the Parties as reflected thereby.

10.6. Governing Law; Jurisdiction; Arbitration:

- (i) This Agreement shall be governed by and construed according to the laws of India. Notwithstanding the provisions of Clause 10.6 (ii) below, each of the Parties hereby submits to the exclusive jurisdiction of the courts of competent jurisdiction in New Delhi in so far as, and only to the extent, it relates to any Party seeking to obtain injunctive or equitable relief from such court of competent jurisdiction and matters that are ancillary to the maintenance, prosecution, and support of the arbitration proceedings mandated hereby.
- (ii) If any dispute, controversy or claim among the Parties arises out of or in connection with this Agreement, including the breach, termination or invalidity hereof (“**Dispute**”), the Parties shall use all reasonable endeavors to negotiate with a view to resolving the Dispute amicably. If a Party gives the other Parties notice that a Dispute has arisen (a “**Dispute Notice**”) and the Parties are unable to so resolve the Dispute amicably within 15 (Fifteen) days of the date of service of the Dispute Notice (or such longer period as the Parties may mutually agree prior thereto), then the Dispute shall be referred to and finally resolved by

arbitration by a sole arbitrator, mutually appointed by the Parties, in accordance with the provisions of the Arbitration and Conciliation Act, 1996, in effect at the time of such Dispute. The arbitral award shall be final and binding on the Parties and the Parties waive irrevocably any rights to any form of appeal, review or recourse to any state or other judicial authority in India or elsewhere, insofar as such waiver may validly be made. The seat and venue of the arbitration shall be New Delhi, India. The language of the arbitration shall be English.

- (iii) The Parties shall bear their own legal and other costs and expenses necessary to the Dispute, which has been submitted to arbitration in accordance with this Clause 10.6, without prejudice to the arbitrator's right to award costs or require any party to the arbitration to pay the costs and expenses of another party thereto.
- (iv) Any arbitration proceeding hereunder shall be conducted on a confidential basis.

10.7. Confidentiality: Each of the Parties shall, treat as confidential the provisions of this Agreement and the confidential and proprietary information of the other Parties. Provided however nothing contained herein shall affect the ability of the Parties to make disclosures:

- (i) to any Governmental Authority or any other person under the provisions of any Applicable Law provided that the other Party shall be given prior written notice before making the disclosure, indicating the nature of information that is proposed to be disclosed and sufficient time to allow the other Party to seek protection by way of injunction or otherwise of confidentiality of the information being disclosed;
- (ii) to the extent the confidential information becomes publicly available (other than by breach of this Agreement by such Party or its affiliates); and
- (iii) to the extent any Seller or the Purchaser is required to disclose the confidential information in compliance with Applicable Law for preparation of tax returns and other regulatory filings.

10.8. No partnership: Nothing in this Agreement shall create a partnership, joint venture or establish a relationship of principal and agent between the Parties or otherwise authorize any Party to bind the other Parties for any purpose.

10.9. Assignment: The Sellers shall not be entitled to, nor shall he purport to, assign, transfer, charge or otherwise deal with all or any of his rights and/or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in them, in whole or in part to any Person without the prior written consent of the Purchaser and any attempt to do so shall be void. The Purchaser shall be entitled to freely assign its rights and obligations hereunder.

10.10. Costs and Expenses: Each Party agrees that it shall bear its own costs and expenses incurred by it in connection with any discussions, negotiations and investigations undertaken in connection with this Agreement. The stamp duty payable on this Agreement and on the transfer of the Sale Shares shall be borne and paid proportionately by the Sellers.

10.11. Entire Agreement; Amendment and Waiver: This Agreement (together with the Schedules attached hereto and forming an integral part hereof, as well as all other

documents and agreements executed or delivered pursuant hereto, including the Investor SPA) constitutes the full and entire understanding and agreement between the Parties with regard to the subject matter hereof and all agreements or arrangements, whether oral or in writing, between the Parties, whether such agreements or arrangements were prior in time or contemporaneous with this Agreement, with respect to the subject matter herein contained, shall be terminated or superseded with effect from the date of this Agreement. Any term of this Agreement may be amended and the observance of any term hereof may be waived (either prospectively or retroactively and either generally or in a particular instance) only with the mutual written consent of the Parties. Provided that, on and from the Completion Date and the closing of the Investor SPA in accordance with the terms thereof, the Shareholders' Agreement shall stand terminated subject to any accrued rights of the Purchaser alone up to the date of such termination which shall continue to subsist.

Each Seller hereby represents to the Purchaser that (a) he/she has not filed or made any claims, actions, complaints, lawsuits, administrative complaints or charges relating to or in connection with the affairs of the Company; (b) he/she has no subsisting claims (other than any claim by Promoter Seller of INR 3,81,754 due and payable to the Promoter Seller by the Company) or causes of action against the Company; and (c) to such Seller's knowledge, he/she is not aware of any fact, circumstances or grounds on the basis of which a claim could be made against the Company. Further, each Seller hereby unconditionally and irrevocably releases, waives and forever discharges, effective upon the Completion Date, the Company, and its respective current or former directors, officers, employees, representatives, shareholders and members (in their capacities as such) from any and all claims (other than any claim by Promoter Seller of INR 3,81,754 due and payable to the Promoter Seller by the Company), rights, remedies, demands, causes of action, injunctions, arbitrations or losses of any nature, amount or kind, in Applicable Law or equity (including any claims based on breach of fiduciary duty), past or present, known or unknown, suspected or unsuspected, matured or unmatured, in respect of any action, omission or event occurring prior to Completion.

- 10.12. Notices: All notices and other communications required or permitted hereunder to be given to a Party shall be in writing, in the English language, and shall be sent by facsimile, electronic mail or mailed by prepaid courier or otherwise delivered by hand or by messenger, addressed to such Party's address as set forth below or at such other address as the Parties shall have furnished to the other Parties in writing in accordance with this provision:

if to the Promoter Seller:

**Mr. Surender Gounder**

Address: 209/130 St. Mary's Road, Pooja Pura Apartment, Alwarpet, Chennai, Tamil Nadu, 600018

Attn.: Mr. Surender Gounder

with an electronic copy to the following email address:

suren@tangotech.co.in

if to the Employee Seller:

**Keerthana Bhaskar**

Address: No. 7/4 Thiyagappa Street, First Lane, Kilpauk, Chennai, Tamil Nadu - 600010

Attn.: Keerthana Bhaskar

with an electronic copy to  
the following email address:

[keerthana@tangotech.co.in](mailto:keerthana@tangotech.co.in)

if to the Company:

**Tango IT Solutions India Private  
Limited**

Address: 209/130 St. Mary's Road, Pooja Pura  
Apartment, Alwarpet, Chennai, Tamil Nadu,  
600018

Attn.: Surender Gounder

with an electronic copy to  
the following email address:

[suren@tangotech.co.in](mailto:suren@tangotech.co.in)

if to the Purchaser:

**Lenskart Solutions Private Limited**

W-123, Ground Floor, Greater Kailash  
Part-2, New Delhi – 110048, India

Attn.: Mr. Neha Bansal and Ms. Alankrita  
Datta

with an electronic copy to  
the following email address:  
[alankrita.datta@lenskart.in](mailto:alankrita.datta@lenskart.in)

[nehab@valyoo.in](mailto:nehab@valyoo.in);

Any notice sent in accordance with this Clause 10.12 shall be effective: (i) if by prepaid courier 5 (Five) Business Days after delivery to the courier service, (ii) if sent by messenger, upon delivery, and (iii) if sent via facsimile or electronic mail, upon transmission and electronic confirmation of receipt or (if transmitted and received on a non-business day) on the first Business Day following transmission and electronic confirmation of receipt (Provided however that any notice of change of address shall only be valid upon receipt).

- 10.13. Delays or Omissions: No delay or omission to exercise any right, power, or remedy accruing to any Party upon any breach or default under this Agreement, shall be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any of the Parties, shall be cumulative and not alternative provided that the indemnification rights under Clause 9 above shall be the exclusive monetary remedy for the matters set out therein.
- 10.14. Severability: If any provision of this Agreement is held by a court of competent jurisdiction or arbitral tribunal to be unenforceable under Applicable Law, then such provision shall be excluded from this Agreement and the remainder of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom. If for any reason whatsoever, any provision of this Agreement is or becomes invalid, illegal or unenforceable, then the

Parties will negotiate in good faith to agree on such provision to be amended or substituted such that the Parties are left in the same or nearly similar position to that which prevailed.

- 10.15. Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and enforceable against the Parties actually executing such counterpart, and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart via electronic email in portable document format (.pdf) shall constitute delivery of an originally signed counterpart hereto.

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## SCHEDULE 1

### PART – A

#### Details of the Sale Shares and Bank account details of the Sellers

Sr. No	Name of the Seller	Number of Sale Shares	Total Consideration (in INR)	Bank account details
1.	Surender Gounder	Number of Shares sold by Surender Gounder individually: 121,538  Number of Shares sold by Surender Gounder jointly with Keerthana: 2000	INR 1,26,21,414	Surender Gounder A/c No – 02691930005712 IFSC - HDFC0000269 Bank: HDFC Bank Limited RS Puram Branch
2.	Keerthana Bhaskar	Number of Shares sold by Keerthana jointly with Surender Gounder 2,000 Equity Shares	INR 1,03,000	Keerthana Bhaskar A/c No – 50100287923838 IFSC - HDFC0000386 Bank: HDFC Bank Limited

### PART – B

#### Details of the Subscription Shares and Bank account details of the Company

Sr. No	Number and Class of Subscription Shares	Subscription Price Per Share	Total Subscription Amount (in INR)	Bank account details
1.	4,40,252	INR 103	INR 4,53,45,956	Tango IT Solutions India Private Limited Account number: 50200050455442 IFSC Code: HDFC0000386 Bank: HDFC Bank Limited

				<b>Address:</b> 99 Senans Square, San Thome, Chennai, Tamil Nadu 600028
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## **SCHEDULE 2**

### Seller Warranties

Each Seller (individually) warrants to the Purchaser that:

#### **1. Authority and Capacity of the Seller**

- (a) The Seller has full legal right, capacity and authority, to enter into this Agreement and perform his/her obligations hereunder and any other documents executed by the Seller pursuant to or in connection with this Agreement and each such document, when executed, will constitute valid and binding obligations on the Seller, in accordance with their terms.
- (b) The Seller is not and will not be required to give any notice to, or make any filing with, or obtain any permit, consent, waiver or other authorisation from any Governmental Authority or other persons in connection with the execution, delivery and performance of this Agreement.
- (c) The execution, delivery and performance of this Agreement in the manner set out herein will not constitute a breach of any order, judgement or decree of any court, governmental agency or regulatory body or result in a breach of, or constitute a default under any agreement, to which the Seller is a party or by which they are bound.
- (d) The Seller is not restricted by any statute / regulation / order of any Governmental Authority to execute, deliver and perform this Agreement, and neither the execution, delivery and performance of the Agreement nor any of the transactions contemplated under this Agreement constitute a breach of or a default under: (a) any Applicable Laws by which the Seller is bound or any order, writ, injunction or decree of any court or tribunal or Governmental Authority to which they are subject; and (b) any agreement or instrument to which the Seller is a party or by which the Seller is bound.
- (e) There are no judicial or administrative actions, proceedings or investigations pending or threatened against the Seller or any other events or matter, which after due inquiry, would have or may reasonably be expected to have a Material Adverse Effect on his capacity to perform his obligations under this Agreement. To the knowledge of the Seller, there is no fact or circumstance which is likely to give rise to such judicial or administrative actions, proceedings or investigations.

#### **2. Ownership and Title over the Sale Shares**

- (a) The Promoter Seller is the sole legal and beneficial owner of the Sale Shares (other than the Incentive Shares) solely held by him and has the right to exercise all voting and other rights over and in respect of such Sale Shares, in the manner set forth in Articles.
- (b) The Promoter Seller and the Employee Seller are the joint legal and beneficial owners of the Incentive Shares and have the right to jointly exercise all voting and

other rights over and in respect of such Incentive Shares, in the manner set forth in the Articles. Other than the MOU which shall terminate upon the execution of this Agreement, there are no other agreements or arrangements of any kind by way of which any incentive shares have been promised to any Group Company Employee (other than any incentive shares that may be offered by the Purchaser).

- (c) The Sale Shares have a clear and marketable title and are free from all Encumbrances and there is no agreement or commitment to give or create any Encumbrance over or affecting the Sale Shares, and no claim has been made by any person to be entitled to any such Encumbrance. On the Completion Date, the Sale Shares will be transferred free from any Encumbrances, claim or demand to the Purchaser together with all legal rights and advantages attaching or accruing thereto.
- (d) The Seller has subscribed to and/or purchased, owned and held the Sale Shares, at all times in full compliance with all provisions of Applicable Law at the relevant point of time.
- (e) The Seller has not, nor has anyone on his behalf done, committed or omitted any act, deed, matter or thing whereby the Sale Shares can be extinguished, rendered void or rendered voidable by any other person, including a governmental authority.
- (f) There are no claims or proceedings before any court in progress or pending against or relating to the Seller or any judgement, temporary restraining order, preliminary or permanent injunction, attachment or other order issued by any court of competent jurisdiction or other legal or regulatory prohibition or restriction or other action issued, pending or threatened which could be expected to enjoin, restrict, prohibit, delay or make unlawful, illegal or otherwise interfere with the sale of the Sale Shares or prevent him from fulfilling his obligations as set out in this Agreement.
- (g) The Seller is not, nor threatened to be, bankrupt or become subject to any bankruptcy proceedings, or insolvent or making an arrangement with his creditors generally or taking advantage of any statute for the relief of insolvent debtors.
- (h) The Seller does not have any pending or threatened claims, disputes or litigation, with respect to the Sale Shares and to the knowledge of the Seller there are no facts or circumstances likely to give rise to any claims, disputes or litigation with respect to the Sale Shares.
- (i) There are no outstanding tax demands or tax proceedings pending against the Seller, which are covered within the meaning of Section 281 of the Indian Income Tax Act, 1961, that is likely to affect the legality, validity or enforceability of this Agreement against either him or his ability to perform his obligations under this Agreement. The Seller has not received any notice of any proceedings that are pending, or any notice of any Taxes or other sums payable under the Income Tax Act, 1961 which necessitates obtaining of a 'no objection certificate' under Section 281 of the Income Tax Act, 1961 from the taxation authorities prior to the transfer of the Sale Shares held by the Seller to the Purchaser.
- (j) There are no pending or subsisting proceedings or outstanding demands under the GST Laws that may adversely affect the transfer of the Sale Shares or make void, the transaction of the sale of the Sale Shares in terms of Section 81 of the Central Goods and Services Tax Act, 2017.

- (k) All warranties, facts, information and/or documents provided by the Seller for and in connection with the 281 Tax Report, are true and complete and correct in all respects.
- (l) Except for the Shareholders' Agreement, and the Articles of Association, there are no voting trusts, shareholders agreements, proxies or other agreements (including any side letter) in effect to which he is a party, with respect to the voting, transfer or dividend rights of the Sale Shares.
- (m) The Seller is neither a Sanctioned Person, nor is in breach of any Anti-Corruption Laws, Anti-Money Laundering Laws or Economic Sanctions Laws as it relates to the Seller's investment in the Company or in relation to this Agreement, and, to the Seller's knowledge, has not, as it relates to the Seller's investment in the Company, been in breach of any Anti-Corruption Laws, Anti-Money Laundering Laws or Economic Sanctions Laws where, as a result of such breach by the Seller, the Purchaser would be in violation of such Anti-Corruption Laws, Anti-Money Laundering Laws or Economic Sanctions Laws as at Completion.
- (n) The Seller is, and was, at the time of acquisition of the Sale Shares, domiciled and resident in India, for the purposes of IT Act and Foreign Exchange Management Act, 1999 and any rules and regulations framed thereunder.
- (o) The Seller is a resident of India under the provisions of Section 6 of the IT Act for the financial year (as defined under IT Act) in which Completion occurs.
- (p) The Seller has obtained a permanent account number from the Tax Authorities, which is validly subsisting as of the Completion Date.
- (q) The Promoter Seller hereby confirms that each of the Additional Directorships are non-executive in nature, and that the Additional Directorships shall in no way impede or otherwise obstruct the Promoter Seller from continuing to carry out the operations and business of the Company in accordance with the terms of this Agreement and the employment agreement executed between the Promoter Seller and the Company (as amended and restated from time to time).
- (r) The Seller has not obtained and is not liable to obtain registration under Goods and Services Tax Act, 2017.

### **SCHEDULE 3**

#### **Purchaser Warranties**

##### **Authority of the Purchaser**

- (a) The Purchaser is duly incorporated under the laws of India.
- (b) The Purchaser has full power and authority to enter into this Agreement and perform its obligations hereunder and all other documents executed by the Purchaser which are to be delivered at Completion, each of which constitutes (when executed) legal, valid and binding obligations of the Purchaser in accordance with its respective terms.
- (c) The Purchaser is not restricted by any statute / regulation / order of any Governmental Authority to execute, deliver and perform this Agreement, and neither the execution, delivery and performance of the Agreement nor any of the transactions contemplated under this Agreement constitute a breach of or a default under: (i) any Applicable Laws by which the Purchaser is bound or any order, writ, injunction or decree of any court or tribunal or Governmental Authority to which it is subject; (ii) any agreement or instrument to which the Purchaser is a party or by which it is bound; and (iii) the Purchaser's certificate of incorporation, memorandum and articles of association.

## SCHEDULE 4

### Company Warranties

1. Authority of the Company
  - (a) The Company has full power and authority to enter into this Agreement and perform its obligations hereunder and all other documents executed by the Company which are to be delivered at Completion, each of which constitutes (when executed) legal, valid and binding obligations of the Company in accordance with its respective terms.
  - (b) The Company is not restricted by any statute / regulation / order of any Governmental Authority to execute, deliver and perform this Agreement, and neither the execution, delivery and performance of the Agreement nor any of the transactions contemplated under this Agreement constitute a breach of or a default under: (i) any Applicable Laws by which the Company is bound or any order, writ, injunction or decree of any court or tribunal or Governmental Authority to which it is subject; (ii) any agreement or instrument to which the Company is a party or by which it is bound; and (iii) the Company's certificate of incorporation, memorandum and the Articles of Association;
2. Sale Shares
  - (a) The Sale Shares when issued and allotted, have been duly authorized and validly issued and allotted by the Company in compliance with Applicable Law and are fully paid up.
  - (b) The shareholding pattern of the Company on a Fully Diluted Basis, as of the Execution Date, set out at Part 2 of Annexure A is true and accurate, and the shareholding pattern of the Company on a Fully Diluted Basis after the sale of the Sale Shares to the Purchaser by the Promoter Seller, assuming: closing has occurred under the Investor SPA in accordance with the terms thereof; on the Completion Date shall be as set out at Part 3 of Annexure A.
3. Organisation And Share Capital
  - (a) The Company is a private company, limited by shares, validly incorporated, in good standing and existing under Applicable Law and has full corporate power and authority to execute, deliver and perform this Agreement.
  - (b) The Company has taken all necessary corporate actions required to authorize the execution, performance, and delivery by it of this Agreement and the transactions contemplated hereby.
  - (c) The authorized share capital of the Company as on the Execution Date is INR 1,30,00,000 (Indian Rupees One Crores Thirty Lakhs) divided into 12,50,000 (Twelve Lakhs Fifty Thousand) Equity Shares of INR 10 (Indian Rupees Ten) each and 50,000 (Fifty Thousand) preference shares of INR 10 (Indian Rupees Ten) each. The total issued, paid-up and subscribed share capital as on the Execution Date is INR 47,68,650 (Indian Rupees Forty Seven Lakhs Sixty Eight Thousand Six Hundred and Fifty) divided into 4,76,865 (Four Lakhs Seventy Six Thousand Eight Hundred and Sixty Five) Equity Shares of INR 10 (Indian Rupees Ten) each and NIL

preference shares.

- (d) This Agreement constitutes a legal, valid and binding obligation on the Company and is enforceable in accordance with its terms and conditions. The execution and delivery by the Company of this Agreement does not, and the performance by the Company of the terms of this Agreement will not:
  - (i) contravene any provision of any Applicable Law; or
  - (ii) contravene with or result in the breach of any agreement, contract or instrument to which it is a Party or to which it may be subject to; or
  - (iii) violate any provision of the Articles and/or the Shareholders' Agreement; or
  - (iv) violate any injunction, judgment, order, decree, ruling, charge, or other restriction of any court or tribunal.
- (e) The Shares issued by the Company and registered in the Company's register of members, are fully paid, have been properly and validly issued and allotted, in accordance with Applicable Law and represent the entire allotted and issued share capital of the Company. The Company has not recorded any Encumbrance on the Sale Shares and neither is the Promoter Seller aware of any existing Encumbrances on the Sale Shares.
- (f) The Company has issued all the share certificates with respect to the Sale Shares of the Company, in compliance with Applicable Law (including Applicable Laws relating to stamp duties payable on instruments).
- (g) The Company has not bought back, repaid or redeemed or agreed to buy back, repay or redeem any of its securities or otherwise reduced or agreed to reduce its share capital or purchased any of its securities or carried out any transaction having the effect of a buy back or reduction of capital.
- (h) The Charter Documents of the Company last filed with the Registrar of Companies are accurate and still in effect, and no amendments have been made thereafter.
- (i) The Company has not taken any action or failed to take any action, which action or failure would preclude or prevent the Company from conducting its business after the Completion Date in the manner heretofore conducted.
- (j) Except for the transactions contemplated by this Agreement and the Investor SPA, there are no other share capital, convertible securities (other than the Convertible Notes), outstanding warrants, options or other rights to subscribe for, purchase or acquire from the Company and, other than the Shareholders' Agreement, there are no contracts or binding commitments providing for the issuance of, or the granting of rights to acquire any share capital of the Company or under which the Company is, or may become, obligated to issue any of its securities.
- (k) **Annexure A** of this Agreement accurately and completely describes the capitalization table setting forth the shareholding of the shareholders as on the Execution Date and Completion Date (*excluding the Subscription Securities issued to the Purchaser the Company under this Agreement*) and assuming that the closing

under the Investor SPA has occurred in accordance with the terms thereof;

- (l) As on the Execution Date, there are no Shares issued by the Company other than the Shares as set forth in **Annexure A**. There are no (a) existing contracts, subscriptions, options, “phantom” rights, profits interests, stock appreciation rights, warrants, calls, commitments or rights of any character to purchase or otherwise acquire from any Seller or the Company at any time, or upon the happening of any stated event, any equity, membership interests or other securities of the Company, whether or not presently issued or outstanding; or (b) contracts, subscriptions, options, calls or rights to purchase or otherwise acquire from the Company any Shares.
- (m) There is no existing fact or circumstance that may have a Material Adverse Effect on the ability of the Company to conduct its business as currently conducted and contemplated to be conducted.
- (n) There has been no event, condition or change that individually or in aggregate has had or could reasonably be expected in the foreseeable future to have a Material Adverse Effect on the Company.
- (o) No agent, broker, banker, or Person acting in a similar capacity on behalf of or under the authority of the Company is or will be entitled to any broker’s or finder’s fee or any other commission or similar fee, directly or indirectly, on account of any action taken by the Company in connection with the transactions contemplated under this Agreement.
- (p) The Company has not received any financial grant from any government entity or has ever been identified as a public service undertaking or would for any reason be deemed a governmental organization or quasi-governmental body under Applicable Law.
- (q) The Company has not declared any dividend nor made any distribution to its Shareholders or indicated any dividend policy other than as reflected in the Accounts.
- (r) The Company is not related to any other enterprise outside of India with which it does any business by way of ownership, management/control, common directors or capital of the other enterprise, either directly, indirectly or through one or more intermediaries. The Company is not maintaining any information or documentation which would substantiate any contract or arrangement entered into with any associated enterprise, pricing policy, or the functional assets and risk analysis.
- (s) The Company has all the licenses for the conduct of the business as is now being conducted and can be reasonably expected to obtain all the licenses for the conduct of the business as proposed to be conducted. The licenses currently held by the Company are, and will remain, in full force and effect.
- (t) The Company has no subsidiary or holding or associate company. The Company does not own, directly or indirectly, any capital, shareholding, partnership interest, joint venture interest or other financial interest of a controlling nature in any Person.

#### 4. Financial Statements and Assets

- (a) The Accounts are: (i) true and accurate; (ii) present a true and fair view of the state of affairs and the business of the Company; and (iii) have been prepared in accordance with Applicable Law, the Accounting Standards, and generally accepted

accounting principles and practices consistently applied, and consistent with the books and records of the Company. The Accounts have been prepared after considering all the required accruals and provisions towards expenses / liabilities in the books of accounts and are consistent with the Accounts for the previous 3 (Three) years.

- (b) The Accounts make full provision for or disclose, the financial position and results of operations including outstanding cash reserves, debt, receivables, payables, all liabilities (whether actual, contingent or disputed and including financial lease commitments, Claims, disputes, unsettled escrow payments, statutory, gratuity pension liabilities), all outstanding capital commitments and all provisions for bad or doubtful debts of the Company, in each case in accordance with Indian GAAP and under Law and the applicable accounting principles and there are no material transactions and balances related to the Business that have not been recorded in the Accounts. The balance sheet and profit and loss statement dated June 30 2023 as provided for in **Annexure C** is true, accurate, and complete in all respects and there have been no deviations of any kind from the details specified therein.
- (c) The Company has not engaged in any transaction that is not required to be shown or reflected in the audited Accounts and/or management Accounts. **Annexure B** contains a statement of advisory expenses that the Company is either required to pay on account of pending invoices or the Company anticipates on account of engaging advisors for the transactions contemplated under this Agreement and the Investor SPA (“**Advisory Expenses**”). The Advisory Expenses as set out in **Annexure B** constitute all the expenses that the Company is required to pay or is anticipating in relation to any matter, and there is no dispute, disagreement, or any kind of misalignment (other than downward negotiations in the ordinary course) in relation to the Advisory Expenses between the Company and the Persons to whom the Advisory Expenses are owed. Further, no disputes or claims of any kind that any Person has or is anticipated to have in relation to the Advisory Expenses.
- (d) As of the Accounts Date, and in the period between the Accounts Date and the Completion Date, the Company has, other than in Ordinary Course of Business, incurred no liabilities, either accrued or contingent.
- (e) The statutory books, books of account and other records of the Company are regularly updated and are being maintained in accordance with Accounting Standards applicable in India and all Applicable Law on a proper and consistent basis and comprise of true and fair records of all information required to be recorded.
- (f) All accounts and notes receivable of the Company have arisen from bona fide transactions in the Ordinary Course of Business consistent with past practice and are payable on ordinary trade terms. None of the accounts or the notes receivable of the Company are subject to any defenses.
- (g) The statement of the Company’s bank accounts and of the credit or debit balance on each of them as at the date of this Agreement as provided to the Purchaser is correct, and the Company does not have any bank or deposit account (whether in credit or overdrawn) not included in that statement.
- (h) All of the Company's inventories, materials, and supplies consist of items of quality and quantity, in good condition and usable or saleable in Ordinary Course of Business. The values of the inventories stated in the audited Accounts and/or

management Accounts truly and fairly reflect the Company's normal inventory valuation policies and were determined in accordance with the Accounting Standards, generally accepted accounting principles, practices, and methods consistently applied or which has not been reflected in the audited Accounts and/or management Accounts.

- (i) There are no claims by the Company pending under the subsisting insurance policies, if any, taken by the Company or by any of its vendors or consultants on its behalf. All premiums due under such policies have been paid and the Company, is otherwise in full compliance with the terms and conditions of all such policies.
- (j) The Company has not undertaken any action, or omitted to take any action, which would render any such insurance policy void or voidable or which could result in a material increase in the premium for any such insurance policy, if taken by the Company.
- (k) The Company is not in breach or violation of any Applicable Law, which apply to the conduct of its business, or any facilities or property owned, leased, operated, or used by the Company. There has never been any fine, or penalty imposed, asserted, or threatened against the Company under any foreign, federal, state, local, or other law or regulation relating to regulatory, labour or Tax matters, and to the best of the knowledge of the Company, the Company is aware of no current circumstances likely to result in the imposition or assertion of such a fine, or penalty.
- (l) All leases to which the Company is a party are currently in full force and effect, and no party thereto is in default.
- (m) The Company has a valid and enforceable leasehold interest under each immovable property and interests in immovable property leased to or subleased by it (the “**Leased Immovable Properties**”). All documents of title relating to the Leased Immovable Properties have been validly executed as required under Law. The Leased Immovable Properties constitute all interests in immovable property currently used or currently held for use in connection with the Company’s business. All of the Leased Immovable Properties, buildings, fixtures and improvements thereon leased to the Company are in good operating condition. The Leased Immovable Properties are being held by the Company in compliance with the provisions of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords And Tenants Act, 2017 and the rules made thereunder.
- (n) The Company owns the equipment, furniture, fixtures, improvements, and movable and immovable property (including IPR) and such other assets as may be necessary for the conduct of its business. The Company has good and marketable title to all of such assets and none of the assets of the Company are subject to any mortgage, pledge, lien, conditional sales agreement, security interest, Encumbrance, or other charge except as specifically reflected in the schedule of assets. The Company has maintained all assets in such working order and operating condition in order to be suitable for the purposes for which they are presently being used.
- (o) The Promoter Seller does not own or possess, in his individual or any other capacity, any property or other asset which is material, individually or in the aggregate, to the financial condition, operations or business of the Company.
- (p) All equipment owned or leased by the Company is in good condition and in working

order, except for ordinary wear and tear.

- (q) The Accounts have not been prepared in a manner which would involve (a) inconsistencies of accounting practices; (b) the inclusion of abnormal or extraordinary items of income or expenditure; (c) recording of transactions entered into other than on normal commercial terms; and (d) any other factors rendering the profits or losses for all or any of those periods, abnormally high or low.
- (r) Since 31 March 2023, except as disclosed in the Accounts or other than in the Ordinary Course of Business, none of the following events or changes have occurred:
  - (i) change in the assets, liabilities, condition (financial or otherwise) or business of the Company from that reflected in the Accounts, other than in the Ordinary Course of Business;
  - (ii) incurred any indebtedness or given any guarantee, or letter of comfort for, of any debt, liability or obligation of any nature (whether accrued, absolute, contingent or otherwise) including on behalf of the current directors;
  - (iii) made any capital expenditure;
  - (iv) damage, destruction or loss, whether or not covered by insurance, adversely affecting the assets, properties, conditions (financial or otherwise), operating results or business of the Company, as such business is presently conducted and proposed to be conducted;
  - (v) satisfaction or discharge of any Encumbrance or payment of any obligation by the Company and that is not, individually or in the aggregate, adverse to the assets, properties, condition (financial or otherwise), operating results or business of the Company, as such business is presently conducted and proposed to be conducted;
  - (vi) change or amendment to a contract or arrangement by which the Company or any of their assets or properties is bound by or subject to and which is material in relation to the business of the Company;
  - (vii) change in any compensation arrangement or benefits payable or agreement with any employee of the Company;
  - (viii) loans made by the Company to its employees, officers, or directors;
  - (ix) sale, transfer, assigned or lease of, or mortgage or pledge of imposition of lien on any of the Company's assets (including Intellectual Property);
  - (x) change in the accounting methods or accounting principles or practices employed by the Company;

- (xi) acceptance or issuance of inter-company deposits; or
  - (xii) other event or condition of any character that would adversely affect the assets, properties, condition (financial or otherwise), operating results or business of the Company, as such business is presently conducted and proposed to be conducted.
- (s) Since the Accounts Date, (i) other than in the Ordinary Course of Business, there has been no increase in the liabilities of the Company, and all liabilities of the Company have been truly and accurately recorded in the Accounts; and (ii) the Company has conducted its business and activity only in the ordinary course consistent with past practice.

5. Winding Up and Insolvency

- (a) The Company is not insolvent and, has not committed any act which could be regarded as an act of an insolvent company, and is able to pay its debts in the ordinary course of its business. No steps are pending or contemplated or threatened, in respect of de- registration, winding-up, liquidation or appointment of receiver for its judicial management or in respect of the whole or any part of any of the Assets and/or undertaking of the Company.
- (b) No insolvency proceeding of any character, including bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary, affecting the Company was commenced, is pending or, threatened, and the Company has not made any assignment for the benefit of creditors or taken any action in contemplation of, or which would constitute the basis for, the institution of such insolvency proceeding.
- (c) The Company is not in receivership or liquidation and has taken no steps to enter into liquidation, and no petition has been presented for the winding-up of the Company. The Company has no reason to believe that there are circumstances in which a petition or application could be based or filed for the winding-up of or appointment of a receiver in respect of the Company or any part of its assets or properties or undertakings.
- (d) Neither the Company nor any part of its assets or properties or undertakings is involved in or subject to any voluntary insolvency proceedings nor has it received any notice in relation to any insolvency proceedings.

6. Debt

- (a) Other than the Convertible Notes, the Company does have any Encumbrance on any of its assets, and nor is any Person a debtor of the Company;
- (b) The Company has not received any written notice to repay under any agreement relating to any borrowing or financial indebtedness, which is repayable on demand.
- (c) The Company has not defaulted in the repayment of any loans or advances on the dates on which they have fallen due and in accordance with the respective terms of the lending documents.
- (d) The Company has not commenced, or threatened, in writing, to commence, any form

of legal process (including issuance of a legal notice) against any of its debtors.

- (e) The Company has not made any representations, warranties or given any undertakings to any Person in respect of the obligations or solvency of any other Person or in support of or as an inducement to or otherwise in connection with the provision of financial accommodation, whether or not considered by them to be legally binding.
- (f) The Company is not party to any foreign currency transaction other than in the Ordinary Course of Business.
- (g) There is no set-off arrangement between the Company and any other Person.
- (h) The Company does not have any obligations or liabilities of any nature (whether accrued, absolute or contingent and including any off balance sheet liabilities) other than those set forth or adequately provided for in the Financial Statements.

7. Taxes And Statutory Registers/Forms/Filings

- (a) The statutory books, minute books, register of members and other registers of the Company, as required under any Applicable Law, have been properly and accurately maintained.
- (b) The minute books or other records of the Company which have been provided to the Purchaser from time to time contain accurate and complete copies of the minutes of every meeting of the Company's shareholders and the board of directors (and any committee thereof).
- (c) Except for the resolutions contained in such minute books, no resolutions have been passed, enacted, consented to or adopted by the directors (or any committee thereof) or shareholders of the Company, except for those contained in such minute books and each of these has been passed / enacted / consented to or adopted per the Articles and the Shareholders' Agreement.
- (d) The corporate records and statutory filings of the Company have been maintained/undertaken in accordance with all applicable statutory requirements, and are complete and accurate in all respects, and are maintained at the registered office of the Company.
- (e) All Taxes to be paid by the Company under the Applicable Law have been paid since its incorporation and there are no outstanding claims or proceedings pending against the Company by any Governmental Authority in relation thereto. The Accounts contain provisions adequate to cover Taxes for, or in respect of the Company until the Closing Date.
- (f) The Company is in compliance with the requirements of the GST Laws as applicable to the Business.
- (g) All material Tax returns, reports, accounts, computations, statements, assessments, claims, disclaimers, and registrations and any other necessary information which have, or should have, been submitted by the Company to Governmental Authority for the purposes of Tax have been made on a proper basis, were submitted within applicable time limits and were accurate and complete in all material respects. To the Promoter Seller's knowledge, none of the above are likely to be the subject of any

dispute with any Governmental Authority. The Company has paid on time all Taxes and other assessments due.

- (h) The Company has withheld and paid all Taxes required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, shareholder, or other third party.
- (i) The Company does not have any Tax liability as a consequence of any payment of advances to the shareholders being treated as a deemed dividend by the relevant Tax Authority.
- (j) There is no dispute or claim or to the knowledge of the Promoter Seller, pending or threatened, concerning any Tax liability of the Company either claimed or raised by any authority in writing.
- (k) The Company has not waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency, as may be applicable.
- (l) No Governmental Authority's action is pending, and no claim has been made against the Company or, to the knowledge of the Promoter Seller is pending or threatened, which contests the right of the Company to the Tax exemptions it has taken in the past or its right to continue to take such exemptions or deductions in the future.
- (m) All Tax returns and reports of the Company are filed in a timely manner and are true and correct in all material respects and the Company has paid on time all Taxes and other assessments due.
- (n) No deficiency assessment or proposed adjustment of income or payroll Taxes of the Company is pending, and the Promoter Seller has no knowledge, after due inquiry, of any proposed liability for any Tax to be imposed.
- (o) The Company has not made any elections or declarations under Applicable Law or regulations (other than elections or declarations that are related solely to methods of accounting, depreciation or amortization) that would have a Material Adverse Effect on the Company, its financial condition, its business as presently conducted or proposed to be conducted or any of its properties or assets.
- (p) All stamp and registration duties or similar Taxes chargeable in respect of the Agreement will be duly paid, as of the date of execution of the Agreement.
- (q) All Tax payable in respect of every contract, agreement or transaction to which the Company is a party or by which the Company derives a substantial benefit, whether actual, deferred, contingent or disputed, have been duly paid. No event has occurred as a result of which any duty has become payable, from which the Company may have obtained relief.
- (r) The Company has not at any time been a party to, participated or other-wise been involved in any transaction, scheme or arrangement (or series of transactions, schemes or arrangements) for the principal purpose of Tax evasion, which is artificial or fictitious, or the main or dominant purpose of which was to avoid liability for Tax.

8. Contractual Arrangements

- (a) Each of the contracts and agreements of the Company is valid, is in full force and

effect, and is binding upon the Company, as applicable, and neither the Company nor to the best of the Promoter Seller's knowledge any other party thereto is in breach thereof. True and correct copies of all material contracts required for the operation of the Business have been delivered to the Purchaser on the Completion Date.

- (b) There are no defaults or claims under any of the customer contracts or other third-party contracts/arrangements.
- (c) The Company has not indulged in any corrupt practices in dealing with its customers or for getting business from customers.
- (d) The Company is not a party to or bound by any written or oral contract which calls for any of the following: (a) delivery of any goods or services at a cumulative value in excess of INR 10,00,000 (Indian Rupees Ten Lakhs) per year, or which obligates the contracting party for a fixed term; (b) loans, credit, financing agreements, promissory notes, or other evidence of indebtedness (including all agreements for any commitments for future loans, credit or financing), or any other material contract, commitment, or arrangements of any kind; or (c) any guarantee.
- (e) Other than in the Ordinary Course of Business, the Company has no arrangements with its employees and consultants with respect to deferred compensation, profit-sharing or pensions plans, in force and effect, or any understanding with respect to any of the foregoing.
- (f) None of the contracts and agreements entered into by the Company give any right to the customers to terminate the contract or agreement upon a change in control of the Company and if there is a clause, the same has been expressly waived off by the customer.
- (g) As a direct consequence of the transactions contemplated by this Agreement and/or the Investor SPA, no supplier or service provider of the Company is entitled under contract to terminate supplying or providing services to it or to reduce the provision of services to the Company; and likewise, no customer of the Company is entitled to terminate any contract with the Company or to reduce its transactions with the Company.
- (h) The Company has observed and performed all the material terms and conditions on its part to be observed and performed under each of the material contracts to which it is a party. No offer, tender or the like which is capable of being converted into an obligation of the Company by an acceptance or other act of some other Person is outstanding. All material contracts executed by the Company have been disclosed to the Purchaser.
- (i) Defective products or services. The Company has not received written notice of any faulty or defective services rendered by the Company or services rendered by the Company which does not comply in any respect with any warranty or representation expressly made by it under the respective contract.
- (j) The Company is not a party to any contract, arrangement or obligation other than with the Purchaser, which (a) is not in the Ordinary Course of Business; (b) cannot be fulfilled or performed by the Company on time; (c) will certainly result in a financial loss to the Company, from a particular customer on completion of performance; (d) requires an aggregate consideration payable by the Company in excess of INR 6,00,000 (Indian Rupees Six Lakhs) per month or in excess of INR

72,00,000 (Indian Rupees Seventy Two Lakh) per annum; (e) involves the provision of services, the aggregate sales value of which represents in excess of 10% of the turnover of the Company for the previous financial year (per the business plan of the Company in force on the date of this Agreement); (f) is for the provision of management or similar services to the Company and which is not terminable by the Company on less than 3 (Three) months' notice, other than for employment contracts.

9. Litigation and IPR

- (a) All Intellectual Property owned by, or developed by, the Company (“**Owned IPR**”) constitutes all Intellectual Property which is required for the conduct of the business of the Company (as currently conducted) and for the services provided by the Company, and the Company owns or possesses legal rights to all the Owned IPR including to use or incorporate any third-party materials that have been used or incorporated into the Owned IPR.
- (b) The Owned IPR is sufficient for the continued conduct of the business as currently conducted, and constitutes all Intellectual Property being utilized in relation to the business as currently conducted.
- (c) No other Person has an interest in or right or license to use, or the right to license others under the Owned IPR. There is no infringement of any of the Owned IPR by others, nor is any of the Owned IPR subject to any outstanding order, decree, judgment, stipulation, settlement, lien, charge, Encumbrance, or attachment.
- (d) No claim or demand has been made and no proceeding has been filed or, to the knowledge of the Promoter Seller, is threatened to be filed charging the Company with infringement of any patent, trade name, trademark, service mark, or copyright. Other than payments to consultants and vendors in the Ordinary Course of Business, there are no royalties, fees, or other payments payable by or on behalf of the Company to any Person with respect to any of the Owned IPR.
- (e) The Company owns or has the right to use, free and clear of any claims or rights of others, all Owned IPR and other information and know-how (if any) used in its business and has executed valid contracts with employees, consultants and vendors to acquire such rights in perpetuity.
- (f) The Company has not transferred, sold, exclusively licensed or otherwise disposed of any of its Owned IPR or permitted any Owned IPR rights to expire. The Company has not deposited any of its Owned IPR, source code in an escrow nor has it entered into any contract or arrangement with any Person under which it may be required to deliver any Owned IPR or source code to any Person.
- (g) The Company is not in breach of any licence or any other agreements relating to any IPR to which the Company is a party (whether as a licensee or a licensor) which would result in or would likely to result in termination, revocation or recession of such license and which affects the business of the Company. None of the Owned IPR are modifications of, or are derived from, or depend on third-party owned software or general public licence or other open source code. None of the Owned IPR is restricted by the terms set out in any open source software license. No software developed, designed, owned or used by the Company includes any “freeware”, “shareware” or open source elements.
- (h) The Company is not making any unlawful use of any Confidential Information

including any copyrighted materials, know-how, or trade secrets of any third party, including, without limitation, any former employer of any present or past employee of the Company.

- (i) The Company has not sold, or received written notice of, any product or group of products, service or type of services which are defective or non-conforming to the warranties, contractual requirements or covenants expressly made with respect to them by the Company to its customers which have not been repaired, replaced, or corrected prior to the date of this Agreement.
- (j) The Company is not subject to any known or asserted claims for liability/litigation on account of products sold or services rendered, or IPR created on or prior to such date.
- (k) Any and all IPR of any kind which has been developed, is currently being developed, or will be developed in the future, by any employee of the Company shall be the sole property of the Company.
- (l) The Company has undertaken all requisite security and safeguard measures (technical, administrative or otherwise) to protect the replication, secrecy, confidentiality, and value of all the Owned IPR.
- (m) The source code/software code and the software that were made by the Company's employees constitute a "work made for hire" and no Intellectual Property of a third party that are infringed by the use of the software commercially by the Company.
- (n) The Promoter Seller and the Company's employees have entered into written agreements with the Company, as applicable, for assigning to the Company all rights in Owned IPR developed in the course of their employment with the Company, as applicable.
- (o) Each of the current employees of the Company is bound, and all previous employees of the Company were appropriately bound, by his or her employment/service agreement or the written policies of the Company for (i) safeguarding confidentiality and privacy of Owned IPR, and (ii) to 'work for hire' provisions by way of which the ownership of the IPR developed, invented, discovered, derived, programmed or designed with their participation is the sole exclusive property of the Company.
- (p) All Intellectual Property used by the Company other than Owned IPR is duly licensed by the Company under a valid, subsisting and enforceable license ("**Licensed IPR**"). All Licensed IPR is valid, subsisting and enforceable. No such license is subject to termination by the licensor with a prior notice of less than 12 (Twelve) months (except in the case of non-renewal, or termination for breach or insolvency). Company has complied with all terms of such licenses and all license fees or other amounts due and payable under such licenses have been fully paid in due time.
- (q) The business as currently conducted or contemplated does not and is not likely to infringe any Intellectual Property rights of any other Person or give rise to (i) a liability pursuant to the Applicable Law relating to Intellectual Property rights; or (ii) an obligation to pay any sum in the nature of a royalty and/or license fees by the Company in respect of any such rights which are in full force and effect.
- (r) The Company and / or the Promoter Seller is not a party to any litigation or arbitration or dispute resolution proceeding and the Promoter Seller is not aware of any facts

likely to give rise to such litigation or arbitration or claims against the Company and / or the Promoter Seller. No investigation or inquiry by any Governmental Authority concerning the Company, or its business or its assets or the Promoter Seller is in progress or pending or to the Promoter Seller's knowledge threatened.

- (s) The foregoing actions includes, without limiting its generality, actions pending or threatened involving the prior employment or business interests of the Promoter Seller or any of the Company's employees or use by any of them in connection with the Company's business of any information, property or techniques allegedly proprietary to any of the former employers.
- (t) Neither the Company nor the Promoter Seller is a party to or subject to the provisions of any order, writ, injunction, judgment or decree of any court or governmental agency or instrumentality.
- (u) There is no action, suit, proceeding or investigation by the Company or the Promoter Seller currently pending or to the Promoter Seller's knowledge threatened with respect to the Company or the Business, or in relation to any Taxes payable by the Company and/or Promoter Seller that the Company or the Promoter Seller intend to initiate.
- (v) The Company has not received any letter or notice from the revenue authorities in relation to the international transactions entered into by the Company.

10. Other Agreements

- (a) Other than as provided for in the Shareholders' Agreement, the Company has no agreement, obligation or commitment with respect to the election of any individual or individuals to the board of directors.
- (b) The Company has not entered into any agreement, other than the Shareholders' Agreement, that governs the inter-se rights amongst the shareholders of the Company or for issuance of any Shares of the Company.
- (c) Other than any agreements/arrangements with the Purchaser, the Company is not a party to any agreement and/or arrangement with any related party.

11. Employees And Directors

- (a) The Company has complied with all Applicable Law, policies, procedures and agreements relating to employment, terms and conditions of employment and relating to the proper withholding and remission to the proper Tax and other authorities of all sums required to be withheld from employees or persons deemed to be employees under Applicable Law.
- (b) The Company has paid in full to all of its respective employees, wages, salaries, commissions, bonuses, benefits and other compensation due and payable to such employees on or prior to the date hereof.
- (c) The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labour union.
- (d) To the best of the knowledge of the Company no Key Employee has violated any

term of his or her employment agreement.

- (e) No power of attorney or authorities have been issued by the Company in favour of any officer and/or employee to bind the Company.
- (f) No outstanding liability has been incurred by the Company (nor has the Company promised to any person employed or engaged by the Company or in its Business) which remains undischarged, for breach of any contract of employment or for services or redundancy payments, compensation for wrongful dismissal or unfair dismissal, equal pay, discrimination or otherwise under any employment legislation or regulations (including provisions made for gratuity payments) or for any other liability accruing from the termination of any contract of employment or for services.
- (g) The Company has constituted an internal complaints committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and no complaints have been filed by any employees and/or workmen thereunder.
- (h) The Company has not received any notice of termination or resignation from any of its Key Employees nor has the Company issued or intends to issue any notice of termination to any Key Employees.
- (i) No outstanding liability has been incurred by the Company (nor has the Company promised to any person employed or engaged by the Company or in its Business) which remains undischarged, for breach of any contract of employment or for services or redundancy payments, compensation for wrongful dismissal or unfair dismissal, equal pay, discrimination or otherwise under any employment legislation or regulations (including provisions made for gratuity payments) or for any other liability accruing from the termination of any contract of employment or for services.
- (j) The Company is in compliance with the requirements of Applicable Law in relation to labour and employment practices, including but not limited to the Equal Remuneration Act, 1976, the Tamil Nadu Shops and Establishments Act, 1947, the Employees Provident Fund & Miscellaneous Provisions Act, 1952, the Employee State Insurance Act, 1948, the Maternity Benefit Act, 1961, the Rights of Persons with Disabilities Act, 2016, the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and the Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958.

## 12. Information Technology

- (a) The computer, communication, data processing and information technology systems, facilities and services, including all software, hardware, networks, communications facilities, platforms and related systems and services (collectively, “**IT Systems**”) used or planned to be used by the Company (the “**Company IT Systems**”) are sufficient IT Systems to conduct the Business in the manner it is currently being conducted.
- (b) The Company IT Systems (a) are in good working condition and (b) effectively perform all computing, information technology and data processing operations, and have capacity, functionality and response times, in each case, as necessary for the operation of the Business in the manner it is currently being conducted.
- (c) All the information technology contracts and the licenses in respect of all IT Systems

are valid, subsisting and binding. None of the information technology contracts have been the subject of any breach or default or of any event which (with notice or lapse of time or both) would constitute a default or is liable to be terminated or otherwise adversely affected the Business.

- (d) The software used or sold (or incorporated into any products or services used or sold) by the Company is free of any defects, bugs and errors, and does not contain or make available any disabling codes or instructions, spyware, Trojan horses, worms, viruses or other software routines that permit or cause unauthorised access to, or disruption, impairment, disablement, or destruction of, software, data or other materials (“**Contaminants**”). The Company has taken all steps and implemented commercially reasonable safeguards to ensure that the Company IT Systems are substantially free from Contaminants.
- (e) During the last 12 (Twelve) months, there has been no failure, breakdown or continued substandard performance of any Company IT Systems that has caused a disruption or interruption to or any use of the Company IT Systems or the operation of the Business. Further, no cyber security incident of any nature has occurred which the Company would have been required to report to the Cert-In as per the provisions of the Cyber Security Directions.

13. Miscellaneous Representations

- (a) The Company has obtained all necessary approvals required under Applicable Laws to conduct the business properly (including but not limited to any registrations under legislations relating to trade licenses and labour and employees, etc.). Further, in respect of each such authorisation, all fees due have been paid and all conditions have been materially complied with.
- (b) The Company is in compliance with all applicable Laws in relation to its business, operations and employees, has made timely filing of appropriate returns, statements, reports, registrations with any Governmental Authority and has not received any notices, in writing, of violation in relation to the aforesaid.
- (c) The Company has complied with all relevant requirements of the Data Protection Rules. The privacy policy and standard practices of the Company comply with the provisions of the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011.
- (d) The Company does not store any data or personally identifiable information of its vendors and/or clients in the conduct of its business. In the event that the Company does store any such data or personally identifiable information, all the records and all data and information are recorded, stored, maintained, operated or otherwise held exclusively by the Company as per the Data Protection Rules and are not wholly or partly dependent on any facilities or means (including any electronic, mechanical or photographic processes, computerised or otherwise) which are not under the exclusive ownership and control of the Company. The Company has not disclosed to any third party any such records, data or information save and except to the extent required under Applicable Law. No Person has claimed or has the right to claim compensation from the Company under any Data Protection Rules, including for unauthorised or erroneous processing or loss or unauthorised disclosure of data.
- (e) The Company has not used any corporate or other funds for any unlawful

contributions, payments, gifts, or entertainment, or made any unlawful expenditures in any way relating to any political activity or for making payment to government officials or others, and neither the Company or any affiliated entity or any director, officer, agent, or employee or other person authorized to act on behalf of the Company, or any affiliated entity, has accepted or received any unlawful contributions, payments, gifts, or expenditures.

- (f) The Company has implemented all the requisite internal control processes, and related compliances and policies (including but not limited to HR, financial and accounting principles/policies) in accordance with Applicable Law.
- (g) Neither this Agreement nor any certificates made or delivered in connection herewith or any information provided by or on behalf of the Company or the Promoter Seller to the Purchaser is untrue, incorrect, or incomplete in any respect or omits to state a material fact necessary to make the statements herein or therein not misleading, untrue, or incorrect, in view of the circumstances in which they were made.
- (h) There is no material fact or information relating to the business, condition (financial or otherwise), affairs, operations, or assets of the Company that has not been disclosed to the Purchaser in writing by the Company.
- (i) The Company has complied with all their obligations under this Agreement.
- (j) All information relating to the Company and the Shares provided to the Purchaser during the due diligence exercise undertaken by the Purchaser, in relation to the transaction, is true and correct.

**SCHEDULE 5**  
**CONDITIONS PRECEDENT**

- (a) The Company shall have passed appropriate resolutions of the board and shareholders for reclassification and increase of the authorized share capital, filed relevant e-forms with the jurisdictional registrar of companies in relation to such amendment, reclassification and increase, and received approval from the jurisdictional registrar of companies for such amendment, reclassification and increase of authorized share capital;
- (b) The Company shall undertake all corporate secretarial actions (as mentioned below):
  - (i) board resolution authorizing the directors to execute this Agreement, the Investor SPA and other ancillary documents, and such other actions that may be required with respect to the transactions contemplated under this Agreement and/or the Investor SPA;
  - (ii) board and shareholders resolutions to increase the authorized share capital of the Company, file necessary e-forms (Form SH-7) with the jurisdictional registrar of companies;
  - (iii) board and shareholder resolutions to approve the proposed offer and issue of the Subscription Shares to the Purchaser, authorising issuance of Form PAS – 4;
  - (iv) board and shareholder resolutions to file Form MGT – 14 with the RoC; making an offer to Purchaser for the subscription of Subscription Shares by way of issuance of private placement offer letter in Form PAS – 4 to the Purchaser;
  - (v) the Company shall have maintained a complete record of the private placement offer in Form PAS –5 in respect of the Subscription Shares.
  - (vi) board resolution to adopt the amended POSH Policy and the equal opportunity policy under the RPD Act;
  - (vii) Board resolution to open a separate bank account (in a scheduled bank) for receipt of the Subscription Amount;
- (c) The Company shall have passed all requisite corporate resolutions as may be required under Applicable Law and a certified true copy of all such resolutions passed shall have been provided to the Purchaser; and the Company shall have made the requisite filings with respect to these resolutions, or the actions underlying these resolutions in accordance with Applicable Law, with the jurisdictional registrar of companies or any other relevant authority, and copies of such filings shall have been provided to the Purchaser;
- (d) The Company shall have specifically filed the Form MGT-14 with respect to the resolutions for issuance of Subscription Shares, as above;
- (e) The Company shall have maintained a record of private placement in Form PAS-5, and after filing the Form MGT-14 in the manner mentioned in paragraph (d)

above, the Company shall have circulated the offer letter cum application form in Form PAS-4 to the Purchaser;

- (f) confirmatory and satisfactory due diligences (including but not limited to legal, tax, finance and operational due diligence) with respect to the Company shall have been completed, and any issues arising therefrom shall have been resolved to the Purchaser's satisfaction;
- (g) the next 12 months' product priorities and business plan shall have been finalized between the Company, Promoter Seller and Purchaser;
- (h) the current employee stock option scheme /policy of the Company shall have been terminated and the Company and Promoter Seller shall have ensured that: (i) termination/surrender letters for the options, and no-claims letters from each of the employees have been obtained, and (ii) relevant board and shareholders' resolutions and corporate secretarial procedures recording the cancellation of the options and the termination of the ESOP scheme are provided to the Purchaser;
- (i) the employee incentive scheme for Key Employees of the Company shall have been finalized and a reference to the same shall have been incorporated in the employment agreements of the Key Employees, in the form and manner agreed to by the Purchaser;
- (j) the relevant employees of the Company (as identified by the Purchaser) shall have executed amendments to their existing employment agreements, in a form and manner agreed to by the Purchaser;
- (k) the Sellers having confirmed to the Purchaser, that no waivers and/or approvals from any Governmental Authority and pursuant to any other agreement that the Sellers and/ or the Company is a party to, are necessary to perform their respective obligations under this Agreement, and to give effect to the transaction contemplated hereunder;
- (l) the Sellers having delivered to the Purchaser a certified copy of their respective permanent account numbers;
- (m) each Seller having provided the Purchaser with the 281 Tax Report;
- (n) each Seller having certified that their respective Seller Warranties were true and correct in all respects as on the Execution Date and shall be true and correct in all respects as on the Completion Date, as if made on and as of such date;
- (o) the share transfer forms (in Form SH-4) with respect to the sale of the Sale Shares to the Purchaser at Completion shall have been in agreed form with the Purchaser;
- (p) there shall have been no Material Adverse Effect;
- (q) the Company having procured and provided to the Purchaser, the Valuation Reports;

- (r) the Promoter Seller having certified that the Company Warranties were true and correct in all respects as of the Execution Date and shall be true and correct in all respects as on the Completion Date, as if made on and as of such date;
- (s) the Company having taken all necessary corporate actions to authorize the execution, delivery and implementation of the transaction contemplated by this Agreement and any other documents required to be executed in relation to the transaction contemplated in this Agreement, and certified copies of the same having been provided to the Purchaser;
- (t) the Company shall have paid the requisite stamp duty, and shall have provided the Purchaser with evidence of such payment in respect of the following share certificates;

Name of the holder	Date of allotment	Type of shares	No. of shares allotted	Consideration (in INR)	Stamp duty to be paid at 0.005% (in INR)
Surender Gounder	14th August 2020 (Allotment. Conversion of loan into Equity. Consideration other than cash)	Equity	11234	61,00,062	305
Pankaj Kapoor	14th August 2020 (Allotment. Conversion of loan into Equity. Consideration other than cash)	Equity	960	5,21,280	26

- (u) The Company shall have updated and shared copies of the following statutory registers after rectifying the discrepancies listed below:
- (i) Register of Share Transfer - "Consideration involved" is not mentioned for all the transfers that have occurred in the Company.
- (ii) Register of Members - (a) certain entries (i.e., Email ID, Status, Occupation, PAN, Nationality, Date of issue or endorsement of share certificate, amount paid/ payable, balance shares held not mentioned) are incomplete, (b) entry for acquisition of 2000 Equity shares by Surender Gounder, from Narendra Kumar jointly with Surender Gounder on August 23, 2021 has not been made in the ledger folio No. 1 held by Surender Gounder.
- (v) the Company shall have shared a copy of the filed e-forms AOC-4 and MGT-7A for FY 2022-23, along with e-form ADT 1 for the appointment of statutory auditor for a period of 5 (five) years commencing from FY 2023-24;

- (w) The Company shall have rectified discrepancies in the e-form MGT 7A filed for FY 2020-2021 and FY 2021-22 and the minutes;
- (x) the Company shall have obtained relevant waivers from the convertible note holders (i.e IFESIA GP, Freedom Financial Services LLP, Usheron Ventures LLC) with respect to the convertible notes not being automatically converted into Equity Shares, upon the occurrence of the respective conversion events.
- (y) the Company shall have taken down all videos which do not blur / anonymize the faces of individuals, as published on its website;
- (z) the Company shall have made an application with the relevant authority for updating the GST registration, to include the ABC Office as an additional place of business;
- (aa) the Company shall have shared the registration certificate obtained under the Employees Provident Fund & Miscellaneous Provisions Act, 1952 and copies of the consolidated annual contribution statement (in Form 6A) maintained by the Company;
- (bb) the Company shall have adopted an equal opportunity policy, as required under the Rights of Persons with Disabilities Act, 2016 (“**RPD Act**”);
- (cc) The Company shall have amended its existing POSH policy as adopted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**POSH Act**”), to incorporate the below mentioned and share the updated POSH policy with the Purchaser:
  - (i) the list of members of the Internal Complaints Committee (“**ICC**”) in the POSH policy is to be updated;
  - (ii) POSH policy should specify the quorum required for an inquiry by the ICC i.e., minimum 3 ICC members including the Presiding Officer of the ICC;
  - (iii) section 5 (b) of the POSH policy should additionally state that the ICC shall record the settlement arrived at and forward the same to the employer entity / Company, to take action as specified in the recommendation;
  - (iv) section 14 (a) (ii) of the POSH policy should additionally include the obligation of the employer to display the POSH policy (including penal consequences of sexual harassment and the order constituting the ICC) at the conspicuous place in the workplace/ company;
  - (v) section 6(a) of the POSH policy should additionally clarify that termination or an ex-parte order may not be passed, without giving 15 days advance notice in writing, to the party concerned.;
  - (vi) Reference to the Registered Office and ABC Office premises to be updated in the POSH policy;
- (dd) the Company shall have (i) designated a point of contact with the CERT-In as per the cyber security directions issued by the Ministry of Electronics and Information Technology dated April 28, 2022 (“**Cyber Security Directions**”); (ii) shared

details of the aforesaid point of contact with CERT-In, in the format specified in annexure II of the Cyber Security Directions.

- (ee) completion of all the conditions precedent as provided for under the Investor SPA.

## SCHEDULE 6

### CONDITIONS SUBSEQUENT

1. Within 15 (fifteen) days of the Completion Date, the Company shall file e-form PAS-3 with the jurisdictional registrar of companies in respect of the allotment of the Subscription Shares to the Purchaser;
2. Within 30 (thirty) days of the Completion Date;
  - (a) or such other shorter period as may be prescribed under Applicable Law, all documents required to be filed with an authorized dealer bank in connection with Form DI, in respect of the sale of the Sale Shares to the Purchaser, being in agreed form with the Sellers;
  - (b) or such other shorter period as may be prescribed under Applicable Law, the Company and Sellers shall provide all necessary assistance to the Purchaser in relation to the Form DI filing to be undertaken by the Purchaser;
  - (c) The Company shall have updated and shared copies of the following statutory registers after rectifying the discrepancies: Register of Directors and Key Managerial Personnel –
    - (a) Please mention the residential address of Amit Chaudhary as appearing on the MCA portal, (b) number of shares held by Surender Gounder and Swaminathan Rajagopal are not mentioned under the heading “details of securities held in the Company, its Holding Company, Subsidiary Company, Subsidiary of Holding Company or Associate Company.
  - (d) the Company shall share copies of the registers / returns such as (i) inspection book; (ii) maintenance of accident book (in Form 11), (iii) register of employees (in Form 6) maintained by the Company under the Employee State Insurance Act, 1948;
  - (e) register the membership agreement for the Apeejay Business Centre office (“**ABC Office**”) with the respective rent authority, as prescribed under the Tamil Nadu Regulation of Rights and Responsibilities Of Landlords And Tenants Rules, 2019;
  - (f) jointly submit a form of information of tenancy with the landlord to the concerned rent authority, as prescribed under the Tamil Nadu Regulation of Rights and Responsibilities Of Landlords And Tenants Act, 2017;
  - (g) The Company shall (i) execute and register the lease deed for the Company’s registered office at Cheran Illam, 1330, Thadagam Road, R S Puram, Kovai 2, Coimbatore, Tamil Nadu – 641002 (“**Registered Office**”) with Mr. Surender Gounder; (ii) commence steps for change in the registered office of the Company to the ABC Office;
  - (h) The Company shall make an application for the S&E registration for the ABC Office under the Tamil Nadu Shops and Establishment Act, 1947;
  - (i) The Company shall execute a (i) service agreement and non-disclosure agreement with Verifacts Services Private Limited for employee background verification services; (ii) service agreement with Acare Facility Management Services Private Limited for housekeeping services, availed by the Company;

- (j) The Company to share a copy of the license / registration obtained by Acare Facility Management Services Private Limited under the Contract Labour (Regulation and Abolition) Act, 1970;
- (k) The Company shall amend its privacy policy to clarify that (i) it does not collect / store / transfer any sensitive personal data including financial information from users, (ii) the clients shall be periodically informed about the changes to the privacy policy;
- (l) The Company shall undertake the following compliances (as applicable) under the Cyber Security Directions:
  - (i) connecting to Network Time Protocol (NTP) Server of National Informatics Centre (NIC) or National Physical Laboratory (NPL) or with NTP servers traceable to these NTP servers, for synchronisation of all their information communication technology (“ICT”) systems clocks;
  - (ii) mandatorily report cyber incidents (as mentioned in annexure I of the Cyber Security Directions) to CERT-In, within 6 hours of noticing or being brought to notice of such incidents in the form and manner prescribed;
  - (iii) cooperating with the orders / directions issued by CERT-In and designating a point of contact to liaise with CERT-In (details of such point of contact are to be sent to CERT-In in the format specified in annexure II of the Cyber Security Directions);
  - (iv) mandatorily enabling logs of all their ICT systems and maintaining them securely for a rolling period of 180 days within the Indian jurisdiction;
- (m) The Company shall share the updated GST registration, which includes the ABC Office as an additional place of business;
- (n) The Company shall undertake the following compliances under the Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972 (“**POGA**”):
  - (i) file the notice of opening (in Form A);
  - (ii) display an abstract of the POGA (specifying the name and designation of the officer authorized to receive notices under the POGA) at the Company’s office premises;
- (o) The Company shall maintain a register (in Form D), as prescribed under the Equal Remuneration Act, 1976 and clear all statutory dues (if any);
- (p) The Company shall undertake the following compliances under the Tamil Nadu Shops and Establishment Act, 1947:
  - (i) share the updated S&E registration certificate for the ABC Office;
  - (ii) share copies of the below mentioned registers maintained by the Company under the S&E Act (from incorporation until August 14, 2023 – except for the register of employees and register of wages maintained by the Company for the month of January, 2022).

- (iii) maintain the following registers - register of employees (in Form U), register of employment (in Form V), register of wages (in Form W), register of leave and social security benefits (in Form X) and returns such as certificate of maintenance of registers, records and notices (in Form O);
- (q) The Company shall register a copy of its equal opportunity policy with the chief / state commissioner for persons with disabilities, as required under the RPD Act;
- (r) The Company shall maintain the following registers / returns under the Maternity Benefit Act, 1961 and Tamil Nadu Maternity Benefit Rules, 1967:
  - (i) muster roll (in Form A),
  - (ii) returns of maintenance of registers,
  - (iii) records and notices (in Form L),
  - (iv) annual returns (in Form K);
- (s) The Company shall share the revised professional tax registration certificate for the ABC Office and maintain returns (in Form 1) as prescribed under the The Tamil Nadu Municipal Laws (Second Amendment) Act, 1998 and Tamil Nadu Municipal Laws and Town Panchayats, Municipalities and Municipal Corporation (Collection of tax on Professions, Trades, Callings, and Employments) Rules, 1999;
- (t) The Company shall undertake the following compliances under the POSH Act:
  - (i) prepare and file annual reports with the district officer, as prescribed under the POSH Act.
  - (ii) organize orientation / awareness programmes and seminars for the ICC, employees etc. as required under the POSH Act.
- (u) The Company shall revise its HR Policy to incorporate the below mentioned to comply with the:
  - (i) Maternity Benefit Act, 1961:
    - a. maternity benefit is to be extended to all women, subject to them being in the employment of the Company for a minimum period of not less than 80 (Eighty) days in the 12 (Twelve) months preceeding the expected date of delivery.
    - b. maternity leave of 12 (Twelve) weeks for commissioning and adoptive mothers (who adopt a child below the age of 3 (Three) months);
    - c. payment of medical bonus, additional leave with wages for tubectomy operation and for illness arising out of pregnancy / delivery / premature birth of child etc;
    - d. provision of crèche facilities and nursing breaks for mothers
  - (ii) Leave policy:
    - a. To clarify that no persons should be required to work for more than 8 (Eight) hours in any day and 48 (Forty-eight) hours in any week (subject to payment of overtime wages and provided such overtime work does not exceed 10 (Ten) hours in any day and aggregate 54 (Fifty-four) hours in any week).
    - b. To provide for leaves in compliance with Applicable Laws as well as in conformity with the policies of the Purchaser.

- c. To provide for mandatory leaves on 26<sup>th</sup> January, 1<sup>st</sup> May, 15<sup>th</sup> August, 2<sup>nd</sup> October and 5 (Five) other additional holidays (for new year, pongal, ramzan, deepavali and christmas) as prescribed under Tamil Nadu Industrial Establishments (National, Festival and Special Holidays) Act, 1958.
  - (v) The Company shall obtain a (i) fire and burglary insurance for the Registered Office and the ABC Office; (ii) obtain equipment insurance with the updated address where such insured equipments are stored.
3. Within 60 (Sixty) days from the Completion date:
- (b) The Company shall have executed a standard form client subscription agreement with (i) FSN Brands Marketing Pvt. Ltd (“Nykaa”); (ii) Sangeetha Mobiles;
  - (c) the Company shall carry out an assessment to ascertain if any other insurance is required to be obtained from a commercial and operational perspective;
  - (d) the Company shall adopt Microsoft Dynamics 365 software for the purposes of accounting and sales related aspects;
  - (e) the Company shall make provisions for gratuity and leave encashment in its financial statements.

**IN WITNESS WHEREOF**, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

For **MR. SURENDER GOUNDER**



---

Signed and delivered by

Name:

Designation:

*Signature page to the share purchase and subscription agreement dated October 13, 2023 executed by and amongst Tango IT Solutions India Private Limited, Lenskart Solutions Private Limited, Mr. Surender Gounder and Keerthana Bhaskar.*

**IN WITNESS WHEREOF**, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

For **KEERTHANA BHASKAR**



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Signed and delivered by

Name: Keerthana Bhaskar

Designation: CPO

*Signature page to the share purchase and subscription agreement dated October 13, 2023 executed by and amongst Tango IT Solutions India Private Limited, Lenskart Solutions Private Limited, Mr. Surender Gounder and Keerthana Bhaskar.*

**IN WITNESS WHEREOF**, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

For **TANGO IT INDIA PRIVATE LIMITED** as the **COMPANY**

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line that tapers to the right.

---

Signed and delivered by

Name:

Designation:

*Signature page to the share purchase and subscription agreement dated October 13, 2023 executed by and amongst Tango IT Solutions India Private Limited, Lenskart Solutions Private Limited, Mr. Surender Gounder and Keerthana Bhaskar.*

**IN WITNESS WHEREOF**, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

For **LENSKART SOLUTIONS PRIVATE LIMITED** as the **PURCHASER**



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Signed and delivered by

Name: Peyush Bansal

Designation: Director

*Signature page to the share purchase and subscription agreement dated October 13, 2023 executed by and amongst Tango IT Solutions India Private Limited, Lenskart Solutions Private Limited, Mr. Surender Gounder and Keerthana Bhaskar.*

## Annexure A

### Part 1: Shareholding of Sellers

Sl. No.	Selling Shareholders	Shares held (category/type)	Number of shares	Percentage holding on FDB basis
1	Surender Gounder	Equity Shares	121538	55.6%
2	Keerthana Bhaskar (holding jointly with Surender Gounder)	Equity Shares	2000	0.9%
	<b>Total</b>		<b>1,23,538</b>	<b>56.5%</b>

### Part 2: Shareholding of the Company pre-Completion Date under this Agreement

Sl. No.	Name	Shares held (category/type)	Number of shares	Percentage holding on FDB basis
1	Surender Gounder	Equity Shares	1,21,538	55.6%
2	Keerthana Bhaskar (holding jointly with Surender Gounder)	Equity Shares	2,000	0.9%
3	Nachiket M Parmar	Equity Shares	2,000	0.9%
4	Rajagopal Swaminathan	Equity Shares	2,946	1.3%
5	Pankaj Kapoor	Equity Shares	3,460	1.6%
6	Siddharth Pisharody	Equity Shares	2,500	1.1%
7	Lenskart Solutions Private Limited	Equity Shares	65,753	30.1%
8	RiSo Capital LLC, US	Equity Shares	5,525	2.5%
9	Gaurav Gulati	Equity Shares	12,890	5.9%
	<b>Total</b>		<b>2,18,612</b>	<b>100.0%</b>



**Part 3: Shareholding of the Company post Completion Date under this Agreement**

<b>Sl. No.</b>	<b>Name</b>	<b>Shares held (category/ type)</b>	<b>Number of shares</b>	<b>Percentage holding</b>
1	Lenskart Solutions Private Limited	Equity Shares	6,58,863	99.9998%
2.	Peyush Bansal	Equity Share	1	0.0002%

## Annexure B

### Expenses

Vendor	Expenses Type	Amount (INR)
Sridhar & Co	Company Secretary Fees	1,65,000
A John Moris & Co.,	Internal Audit Fees	50,000
AP Partners	Legal Fees	6,00,000
RPA Advisors	VDD Report	1,75,000
Merchant Banker & Registered Valuer	Valuation Report	1,25,000
Stamp Vendor	Stamp Paper	10,000
<b>Total</b>		<b>11,25,000</b>

## Annexure C

### Balance Sheet and P&L

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED				
CIN : U72200TZ2017PTC029089				
Unaudited Quarterly Balance Sheet as at 30 June 2023				
(Amount in Rs.)				
	Particulars	Note No.	30 June 2023	31 March 2023
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>1 Shareholders' Funds</b>			
	(a) Share Capital	<b>1</b>	2,186,120	2,186,120
	(b) Reserves and Surplus	<b>2</b>	-13,349,812	-1,027,748
	(c) Money received against share warrants			
	<b>2 Share application money pending allotment</b>			
	(c) Money received against share warrants		-	-
	<b>3 Share Application Money Pending Allotment</b>		-	-
	<b>4 Non-current liabilities</b>			
	(a) Long-Term Borrowings	<b>3</b>	19,198,913	19,198,913
	(b) Deferred Tax Liabilities (Net)	<b>4</b>	-	-
	(c) Other Long Term Liabilities		-	-
	(d) Long-Term Provisions		-	-
	<b>5 Current liabilities</b>			
	(a) Short-Term Borrowings	<b>4</b>	-	-
	(b) Trade Payables	<b>5</b>	1,527,426	859,383
	(c) Other Current Liabilities	<b>6</b>	1,526,429	975,111
	(d) Short-Term Provisions	<b>7</b>	4,399,795	3,127,939
	<b>TOTAL</b>		<b>15,488,871</b>	<b>25,319,718</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>1 Non-current assets</b>			
	(a) Property, plant and equipment and Intangible assets			
	(i) Property, plant and equipment	<b>8</b>	1,826,946	1,548,769
	(ii) Intangible assets	<b>9</b>	1,299,225	1,732,300
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments		-	-
	(b) Deferred tax assets (net)	<b>4</b>	635,473	635,473
	(c) Long-term loans and advances		-	-
	(e) Other non-current assets	<b>10</b>	1,626,000	1,545,000
	<b>2 Current assets</b>			
	(a) Current investments		-	-
	(b) Inventories		-	-
	(a) Trade receivables	<b>11</b>	4,881,342	4,151,231
	(b) Cash and cash equivalents	<b>12</b>	4,337,087	14,796,089
	(e) Short-term loans and advances		-	-
	(c) Other current assets	<b>13</b>	945,110	910,857
	<b>TOTAL</b>		<b>15,551,183</b>	<b>25,319,718</b>

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED

## Unaudited Quarterly Statement of Profit and Loss for the period ended 30 June 2023

*(Amount in Rs.)*

Particulars		Note No.	30 Jun 2023	31 March 2023
I	Revenue from operations	15	5,499,726	15,122,708
II	Other Income	16		1,492,302
III	<b>Total Income (I + II)</b>		<b>5,499,727</b>	<b>16,615,010</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	17	-	-
	Employee benefits expense	18	11,836,373	36,471,122
	Finance costs	19	-	-
	Depreciation and amortization expense	8 & 9	751,080	3,515,124
	Other expenses	20	5,234,338	20,640,048
	Total expenses		<b>17,821,791</b>	<b>60,626,293</b>
V	<b>Profit before exceptional and extraordinary items and tax (III - IV)</b>		(12,322,065)	(44,011,283)
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit before extraordinary items and tax (V - VI)</b>		(12,322,065)	(44,011,283)
VIII	<b>Extraordinary Items</b>		-	-
IX	<b>Profit before tax (VII - VIII)</b>		(12,322,065)	(44,011,283)
	(1) Current Tax		-	-
	(2) MAT Credit Entitlement		-	-
	(3) Net Current Tax		-	-
	(4) Deferred Tax			(377,288)
X	<b>Profit (Loss) for the period (V - VI)</b>		<b>(12,322,065)</b>	<b>(43,633,995)</b>
XI	<b>Earning Per Share</b>			
	Basic		<b>-56.36</b>	<b>211.84</b>
	Diluted		<b>-56.36</b>	<b>211.84</b>

**TANGO IT SOLUTIONS INDIA PRIVATE LIMITED**  
**CIN : U72200TZ2017PTC029089**  
**Unaudited Quarterly Cashflow Statement for the year ended 30 June 2023**

(Amount in Rs.)

Particulars	For the quarter ended 30.06.2023	For the year ended 31.03.2023
<b>A.Cash Flow from Operating Activities</b>		
Net Profit/ (Loss) before tax	(1,23,22,065)	(4,40,11,283)
<b>Adjustments for:</b>		
Depreciation and Amortization	7,51,080	35,15,124
Interest & Finance Charges	-	-
Interest Income	-	(14,92,302)
IT Refund	-	-
Loss on Scrap of assets		-
<b>Operating profit/(Loss) before Working Capital Changes</b>	<b>(1,15,70,985)</b>	<b>(4,19,88,461)</b>
<b>Adjustments For:</b>		
(Increase)/ Decrease in Current assets	(34,253)	4,61,189
(Increase)/ Decrease in Trade and other Receivables	(7,30,111)	(22,72,351)
Increase/ (Decrease) in current liabilities	24,91,217	13,02,168
<b>Cash Generated from Operating Activities</b>	<b>(98,44,132)</b>	<b>(4,24,97,456)</b>
(Payment)/ Refund of Income tax		
<b>Net Cash from/ ( Used in) Operating Activities</b>	<b>(98,44,132)</b>	<b>(4,24,97,456)</b>
<b>B.Cash Flow from Investing Activities</b>		
Purchase of Property,plant and equipment/Investment property		-
(Increase)/ Decrease in Other Non-current assets	(6,14,879)	(15,52,385)
Sale of Property,plant and equipment/Investment Property (Including receipt of Insurance claims)		-
Additions to Capital WIP- Investment Property	-	-
Interest Received	-	14,92,302
Investment in Deposits		(2,35,200)
<b>Net Cash from/( Used in) Investing Activites</b>	<b>(6,14,879)</b>	<b>(2,95,284)</b>
<b>C.Cash Flow from Financing Activities</b>		
Increase in Share Capital	-	-
Premium on Shares Issued	-	-
Proceeds from Loans (Net)	-	-
Interest & Finance Charges		-
Interest Received		
<b>Net Cash from/( Used in) Financing Activities</b>	<b>-</b>	<b>-</b>
Net Cash Flows during the year ( A+B+C)	(1,04,59,011)	(4,27,92,740)
Cash and Cash Equivalents (Opening)	1,47,96,089	5,75,88,828
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>43,37,078</b>	<b>1,47,96,089</b>



# **Valuation Report**

**Of**

**Tango IT Solutions India Private Limited**

**CIN: U72200TZ2017PTC029089**

**Prepared by:**

**SUBODH KUMAR**

**(IBBI REGISTERED VALUER)**

**IBBI Regn- IBBI/RV/05/2019/11705**

**Valuation Date: 31<sup>th</sup> July, 2023**



**Date: 05<sup>th</sup> September, 2023**

To,  
The Board of Directors  
Tango IT Solutions India Private Limited  
Regd. Office: Cheran Illam, 1330, Thadagam Road,  
R S Puram, Kovai 2, Coimbatore TN 641002 IN

Dear Sir,

**Subject: Valuation of Equity Shares of the Company**

**I. Purpose:**

We have been engaged by Tango IT Solutions India Private Limited having its registered office: Cheran Illam, 1330, Thadagam Road, R S Puram, Kovai 2, Coimbatore TN 641002 IN (Hereinafter referred to as "TISIPL" or "Company"). TISIPL, a Company incorporated in India, planning to evaluate valuation of Equity Shares for internal purpose. Hence, for the purpose stated, TISIPL require Valuation of Equity shares as on 31th July 2023 (Valuation date).

Accordingly, as per the request received from the management of the TISIPL, we are evaluating the valuation of the Company.

The information contained herein and our report is confidential. It is intended only for the sole use and information of the Investor, and only in connection with the purpose mentioned above. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the purpose as aforesaid, can be done only with our prior permission in writing

**II. About the Valuer:**

Mr. Subodh Kumar is a valuer registered with Insolvency and Bankruptcy Board of India ("IBBI") with Registration No.: IBBI/RV/05/2019/11705 for the purpose of carrying out the said valuation of equity shares.

**III. Background/Information about TISIPL**

M/s Tango IT Solutions India Private Limited, ("TISIPL" / "Company") was incorporated on 21th June, 2017 as a Private Limited Company vide registration No. 029089. TISIPL's registered address is situated Cheran Illam, 1330, Thadagam Road, R S Puram, Kovai 2, Coimbatore TN 641002 IN .



Source: Provided by the management.

The share capital of the Company, on a fully diluted basis, as on 31<sup>st</sup> July 2023 is as under:

Sl. No.	Shareholder type	Amt in INR
1	Paid up Share Capital 231504 Equity Share of INR 107 each	Rs 2,47,70,928

#### IV. Convertible Securities of the Company:

There is no Outstanding Convertible Securities as on Valuation Date.

#### V. Appointing Authority:

We were assigned with this project of valuation of the shares of the Company by the Board of Directors of the Company and engagement letter for this project has been signed by the Director/authorised signatory of the Company, authorised by the Board of Directors.

#### VI. Disclosure of Valuer's Interest/ Conflict:

The Valuer is not related to the Company or its promoters or its director or their relatives, the valuer has not any interest or confliction of interest with respect to the valuation under consideration.

#### VII. Sources of Information:

We were provided with the following information by the management of TISIPL for the valuation purpose as aforesaid:

- Brief background of the business of the company.
- Projected financial statements 2023-24 to 2027-28.

#### VIII. Approach Considered in our Value Analysis:

##### General Principle for Valuation

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.

**Broadly there are three approaches of Valuations which are as follows:**

- a) "Cost" approach
- b) "Income" approach
- c) "Market" Approach



## IN SUMMARY:

The application of any method of valuation depends on the purpose for which the valuation exercise is performed; relevance of each method under the circumstances of the case and other factors as determined appropriate.

- **Cost Approach:** For valuing the company, we are of the view that the net asset approach (under the Cost Approach) will not represent the fair value of the underlying business since the company is a young company and has not yet matured. Hence the same has not been considered for the purposes of computing the fair value of the company.
- **Income Approach:** Since the company is valued on the assumption of going concern with growth in revenue over explicit period, we have considered this approach to be appropriate to arrive at a business value using the DCF method wherein future expected cash flows have been discounted to arrive at business value of the company.
- **Market Approach:** The Company is not listed on any stock exchanges and hence market approach is not considered.

## IX. Selection of Valuation Methodology

The objective of the valuation process is to make a best reasonable judgment of the value of the Shares of the Company. The best reasonable judgment of the value will be referred to as the fair value (FV). The Company has good projection in future and the analysis for the same is given below.

## SHARE VALUE AS PER DISCOUNTED CASH FLOW METHOD:

The value of shares of the Company under DCF Approach has been arrived at as follows:

Valuation under DCF method is based on projections for FY 2023-24 to FY 2027-28 ("explicit period") as provided to us by the Management.

## X. Valuation & Conclusion:

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share.

Though different values might have been arrived at under each of the methods explained above, for the purposes of recommending a fair value, it is necessary to arrive at a single value of the Company. For this purpose, considering the fact that the business of the Company is intended to be continued on a "going concern" basis and that there is no intention to dispose-off the assets, we have considered it appropriate to choose DCF Method to arrive at fair value of shares of the Company.

In the light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report, we have estimated the fair value per share of the Company to be **INR 103.00** per share as prescribed below:



## Annexure:

Tango IT Solutions India Private Limited  
Valuation Date

31-Jul-23

Computation of Free Cash Flow to firm	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28
Revenue	2,94,45,096	6,65,18,770	11,64,07,848	19,78,93,341	24,73,66,676
<b>Growth Y-O-Y</b>		<b>126%</b>	<b>75%</b>	<b>70%</b>	<b>25%</b>
Net Profit after Tax	-6,16,35,104	-2,87,29,817	86,96,449	3,08,98,087	5,63,81,642
Add: Depreciation & Amortization	53,64,122	9,68,486	5,81,092	3,48,655	2,09,193
<b>Cash Operating Profit</b>	<b>-5,62,70,982</b>	<b>-2,77,61,331</b>	<b>92,77,540</b>	<b>3,12,46,742</b>	<b>5,65,90,835</b>
<b>Adjustments for :</b>					
Less: Change in Non-cash Working Capital	-81,05,057	-36,79,793	-1,53,00,949	-2,06,74,992	-1,13,44,169
Less: Capital Expenditure - As per FAR	-39,70,400	-	-	-	-
Add: Interest Post Tax	-	-	-	-	-
<b>Net Free Cash Flows to Equity Share holders</b>	<b>-6,83,46,439</b>	<b>-3,14,41,124</b>	<b>-60,23,408</b>	<b>1,05,71,750</b>	<b>4,52,46,666</b>
Year Fraction	0.67	1.00	1.00	1.00	1.00
Cash Flow Period (Mid-Year Adjustment)	0.33	1.17	2.17	3.17	4.17
Present Value Factor	0.93	0.76	0.61	0.48	0.38
PV of FCFF	<b>-6,32,88,334</b>	<b>-2,40,22,891</b>	<b>-36,54,204</b>	<b>50,92,379</b>	<b>1,73,05,484</b>

### Computation of Terminal Value (H-Model)

WACC	25.94%
Long term Growth Rate	25%
Short Term Growth Rate	3%
High Growth Period	5
<b>Free Cash Flow</b>	<b>4,52,46,666</b>
Part A	19,78,25,857
Part B	10,85,62,970.21
Terminal Value	30,63,88,827
<b>PV of Terminal Value</b>	<b>11,71,84,480.42</b>

### Computation of Share Price

Sum of PV of FCFF	-6,85,67,566
PV of Terminal Value	11,71,84,480
<b>Enterprise Value</b>	<b>4,86,16,914</b>
Cash	17,28,943
Debt	(1,91,98,913)
<b>Equity Value</b>	<b>3,11,46,944.24</b>
DLOM	73,02,037.14
<b>Adjusted Equity Value</b>	<b>2,38,44,907.10</b>
Total Shares	2,31,504.00
<b>Share Price</b>	<b>103</b>

### Cost Of Equity as per CAPM :

Cost of Equity (Ke)	Ke	Rf+[Rm-Rf]*b
Risk free rate of return (Rf)	10 year India Governm	7.17%
Market Return	S&P BSE 200 returns	15.79%
Beta (b)	Beta - Software (System)	0.77
Cost Of Equity as per CAPM		13.81%
<b>Cost Of Equity as per CAPM</b>		<b>13.81%</b>
Unsystematic Risk Premium		14%
<b>Cost Of Equity as per CAPM</b>		<b>28.02%</b>



Cost of Debt	
Risk Free Rate	7.17%
Default Credit Spread	2.69%
Tax Rate	26%
<b>Cost of Debt(Post Tax)</b>	<b>7.30%</b>

WACC Computation			
Debt%	10%	Cost of Debt	7.30%
Equity%	90%	Cost of Equity	28.02%
<b>WACC</b>			<b>25.94%</b>

#### XI. Limitations & Disclaimers:

- Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While TISIPL has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.
- Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. We have, therefore, not performed any audit, review, due diligence or examination of any of the historical or prospective information used and therefore, does not express any opinion with regards to the same.
- The draft of the present report was circulated to the Management for confirming the facts stated in the report and to confirm that information or facts stated are not erroneous and the assumptions used are reasonable.
- No investigation on the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the liabilities in the books. Therefore, no responsibility is assumed for matters of a legal nature.
- Our work does not constitute an audit or certification of the historical financial statements/prospective results including the working results of the Company referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy



of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation mentioned in the report is as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

- In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Company. We assume no responsibility for any errors in the above information furnished by the Company and consequential impact on the present exercise.
- Our recommendation is based on the estimates of future financial performance as projected by the management, which represents their view of reasonable expectation at the point of time when they were prepared, but such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.
- A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular.
- This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Company and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Company including any significant changes that have taken place or are likely to take place in the financial position of the Company. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- Any person/party intending to provide finance/invest in the shares/business of the Company shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- The decision to carry out the transaction (including consideration thereof) on the basis of this valuation lies entirely with the Management/ the Company and our work and our finding shall not constitute a recommendation as to whether or not the Management/ the Company should carry out the transaction.



- Our report is meant for the purpose mentioned in Para 4 and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.
- Neither Subodh Kumar, nor its partners/directors, managers, employees makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.



**SUBODH KUMAR**  
(Registered Valuer)  
IBBI Regn- IBBI/RV/05/2019/11705  
Date: 28<sup>th</sup> August, 2023



GSTIN: 07AAICS6488H1ZS  
CIN: U65923DL2001PLC113191

## 3DIMENSION CAPITAL SERVICES LIMITED

SEBI Registered (Category - I) Merchant Banker  
SEBI Registration No. INM000012528

OUR PATH YOUR SUCCESS

**Date:** 10<sup>th</sup> October 2023

### Board of Directors

#### Tango IT Solutions India Private Limited

Cheran Illam, 1330, Thadagam Road,  
RS Puram, Kovai-2, Coimbatore, TN-641002 IN

**Subject: Fair Valuation of Equity shares of Tango IT Solutions India Private Limited (hereinafter referred to as "TISIPL").**

We have been engaged by the management of Tango IT Solutions India Private Limited for the purpose of assessing fair value of equity shares as of August 31<sup>st</sup>, 2023 of Tango IT Solutions India Private Limited ("**TISIPL**" or "**the Company**"), company registered under the Companies Act, 2013 and having its Registered office at Cheran Illam, 1330, Thadagam Road, RS Puram, Kovai-2, Coimbatore, TN-641002 IN in accordance with the methodology prescribed under Section 56(2)(x) and Section 50CA of the Income Tax Act 1961 read with Rule 11UA of Income Tax Rules, 1962 using latest available management certified provisional financials as of August 31, 2023.

**The relevant extract of Rule 11UA of Income Tax Rules 1962 for computation of fair value of unquoted equity shares is prescribed is as under:**

*"For the purposes of section 56 of the Act, the fair market value of a property, other than immovable property, shall be determined in the following manner, namely,—*

*(a) valuation of jewellery, —*

- (i) the fair market value of jewellery shall be estimated to be the price which such jewellery would fetch if sold in the open market on the valuation date;*
- (ii) in case the jewellery is received by the way of purchase on the valuation date, from a registered dealer, the invoice value of the jewellery shall be the fair market value;*
- (iii) in case the jewellery is received by any other mode and the value of the jewellery exceeds rupees fifty thousand, then assessee may obtain the report of registered valuer in respect of the price it would fetch if sold in the open market on the valuation date;*

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**(b) valuation of archaeological collections, drawings, paintings, sculptures or any work of art, —**

- (i) the fair market value of archaeological collections, drawings, paintings, sculptures or any work of art (hereinafter referred as artistic work) shall be estimated to be price which it would fetch if sold in the open market on the valuation date;**
- (ii) in case the artistic work is received by the way of purchase on the valuation date, from a registered dealer, the invoice value of the artistic work shall be the fair market value;**
- (iii) in case the artistic work is received by any other mode and the value of the artistic work exceeds rupees fifty thousand, then assessee may obtain the report of registered valuer in respect of the price it would fetch if sold in the open market on the valuation date;**

**(c) valuation of shares and securities, —**

**(a) the fair market value of quoted shares and securities shall be determined in the following manner, namely, —**

**(i) if the quoted shares and securities are received by way of transaction carried out through any recognized stock exchange, the fair market value of such shares and securities shall be the transaction value as recorded in such stock exchange;**

**(ii) if such quoted shares and securities are received by way of transaction carried out other than through any recognized stock exchange, the fair market value of such shares and securities shall be, —**

**(a) the lowest price of such shares and securities quoted on any recognized stock exchange on the valuation date, and**

**(b) the lowest price of such shares and securities on any recognized stock exchange on a date immediately preceding the valuation date when such shares and securities were traded on such stock exchange, in cases where on the valuation date there is no trading in such shares and securities on any recognized stock exchange;**

**(b) the fair market value of unquoted equity shares shall be the value, on the valuation date, of such unquoted equity shares as determined in the following manner, namely: —**

**the fair market value of unquoted equity shares = (A+B+C+D - L) × (PV)/(PE), where,**

**A = book value of all the assets (other than jewellery, artistic work, shares, securities and immovable property) in the balance-sheet as reduced by, –**

- (i) any amount of income-tax paid, if any, less the amount of income-tax refund claimed, if any; and**
- (ii) any amount shown as asset including the unamortised amount of deferred expenditure which does not represent the value of any asset;**

**B = the price which the jewellery and artistic work would fetch if sold in the open market on the basis of the valuation report obtained from a registered valuer;**

**C = fair market value of shares and securities as determined in the manner provided in this rule;**

**D = the value adopted or assessed or assessable by any authority of the Government for the purpose of payment of stamp duty in respect of the immovable property;**

**L = book value of liabilities shown in the balance sheet, but not including the following amounts, namely: –**

- (i) the paid-up capital in respect of equity shares;**
- (ii) the amount set apart for payment of dividends on preference shares and equity shares where such dividends have not been declared before the date of transfer at a general body meeting of the company;**
- (iii) reserves and surplus, by whatever name called, even if the resulting figure is negative, other than those set apart towards depreciation;**
- (iv) any amount representing provision for taxation, other than amount of income-tax paid, if any, less the amount of income-tax claimed as refund, if any, to the extent of the excess over the tax payable with reference to the book profits in accordance with the law applicable thereto;**
- (v) any amount representing provisions made for meeting liabilities, other than ascertained liabilities;**
- (vi) any amount representing contingent liabilities other than arrears of dividends payable in respect of cumulative preference shares;**

**PV = the paid-up value of such equity shares;**

**PE = total amount of paid-up equity share capital as shown in the balance-sheet;]**

**(c) the fair market value of unquoted shares and securities other than equity shares in a company which are not listed in any recognized stock exchange shall be estimated to be price it would fetch if sold in the open market on the valuation date and the assessee may obtain a report from a merchant banker or an accountant in respect of which such valuation."**

On the basis of information provided to us by the Company for the purpose of ascertaining the fair value of equity shares as on August 31, 2023. The standard of value used in our valuation of Equity Share of the Company is **Adjusted Net Asset Value**. Adjusted net asset per share is the price that is carried on the Company's Balance Sheet, adjusted for changes in fair value of various investment/assets held by the company as of valuation date. Adjusted Net asset value per share is a type of evaluation or measure of the worth of shares issued by a specific company. The calculation makes it possible to identify the specific monetary amount that the investor would receive for each share in the event that the Company's assets had to be liquidated.

Section 56(2)(x) of the Income Tax Act, 1961 read with Rule 11U and Rule 11UA(1)(c)(b) of the Income Tax Rules, 1962 prescribes for valuation of shares as on the date on which the property or consideration, as the case may be, is received by the assessee. Similarly, Section 50CA of the Income Tax Act, 1961 read with Rule 11UAA and Rule 11UA(1)(c)(b) of the Income Tax Rules, 1962 prescribes for valuation of shares as on the date on which shares are transferred. However, the audited financial statements as on the said dates are not available and accordingly, we have conducted the valuation in accordance with the valuation methodology prescribed under the Regulations based on the unaudited provisional financial statements of the Company for the period ended 31<sup>st</sup> August, 2023.

On the basis of such verification and the information & explanations given to us and as per the management certified provisional financials of the Company as at August 31<sup>st</sup>, 2023, we hereby certify the fair value of the per equity shares of the Company as of August 31, 2023 as per Rule 11UA of Income Tax Rules, 1962, is **Rs. 71.71 (Negative)** per share and Face Value per share is **Rs. 10**.

The computation is as per **Annexure-2** attached.

Our valuation is subject to our scope of services and our standards of limitation as is mentioned in **Annexure 1** to this certificate.

**For 3Dimension Capital Services Limited**

  
**Rhydham Kapoor**  
**Executive Vice President**

## **Annexure 1**

### **Standard of Limitations**

#### **Affecting valuation results:**

Valuation analysis and result are specific to the purpose of valuation and are based on data as of August 31, 2023 as per agreed the terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity. The valuation analysis and result are substantively based only on information contained in this report and are governed by concept of materiality.

Our opinion expressed in this certificate is based on information furnished by the management of Company and hence is dependent on such information. The said opinion shall be considered advisory in nature.

In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Management of the Company through broad inquiry and comparative analysis vis-à-vis past information available, however we have not carried out a due diligence or audit procedures for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided. Through the above evaluation, nothing has come to our attention to indicate that the information provided was materially mis-stated/incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose. The terms of our engagement were such that we were entitled to rely upon the information provided by the Management of the Company without detailed inquiry. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. The Management of the Company has indicated to us that it has understood that any omissions, inaccuracies or misstatements may materially affect our analysis/results. Accordingly, we assume no responsibility for any errors in the above information furnished by the Management of the Company and their impact on the present exercise. We have relied on the market information as provided by Bloomberg related to forecast data of currency exchange rates and assume no responsibility for market information taken from Bloomberg and believe it to reliable.

The fee for the report is not contingent upon the results reported.

#### **Others:**

We owe responsibility to only the management of the Company that has retained us and nobody else. We do not accept any liability to any third party in relation to this certificate.



## Annexure-2

Tango IT Solutions India Private Limited		
Valuation Date 31st-August-2023		
	Particulars	Amount (INR)
	Book Value of all assets	1,22,70,184.51
	(Less):	
	Jewellery	-
	Artistic Work	-
	Shares Securities	-
	Immovable Property	-
(A)	Book Value of all the assets (other than jewellery, artistic work, shares, securities & immovable property) in the b/sheet as reduced by.	1,22,70,184.51
(Less):	any amount of income tax paid, if any, less the amount of income tax refund claimed, if any, &	-
(Less):	any amount shown as asset including the unamortized amount of deferred expenditure which does not represent the value of any asset.	-
(B)	The price which the jewellery & artistic work would fetch if sold in the open market on the basis of the valuation report obtained from as registered valuer.	-
C	Fair market value of shares & securities as determined in the manner provided in this rule.	
(D)	The value adopted or assessed or assessable by any authority of the government for the purpose of payment of stamp duty in respect of the immovable property.	-
	<b>(A+B+C+D)</b>	<b>1,22,70,184.51</b>
(L)	Book Value of liabilities shown in the balance sheet	1,22,70,184.51
(i)	the paid up capital in respect of equity shares,	21,86,120.00
(ii)	the amount set apart for payment of dividends on preference shares & equity shares where such dividends have not been declared before the date of transfer at a general board meeting of the company,	-
(iii)	reserves & surplus, by whatever name called, even if the resulting figures is negative, other than those set apart towards depreciation,	(1,87,86,818.92)
(iv)	any amount representing provision for taxation, other than amount of income- tax paid, if any, less the amount of income tax claimed as refund, if any, to the extent of the excess over the tax payable with reference to the book profits in accordance with the law applicable thereto,	
(v)	any amount representing provisions made for meeting liabilities, other than ascertained liabilities,	-
(vi)	any amount representing contingent liabilities other than arrears of dividends payable in respect of cumulative preference shares,	-
	<b>(L)</b>	<b>2,88,70,883.43</b>
	<b>(A+B+C+D-L)</b>	<b>(1,66,00,698.92)</b>
	Total Shares	2,31,504.00
	Per Share Value	(71.71)



## EKADRISHT CAPITAL PRIVATE LIMITED

CIN – U66190MH2023PTC401863

1102, Summit Business Park, Chakala, Andheri Kurla Rd, Andheri E, Mumbai 400093

Tel - 022 - 26830300 Email - info@ekadrisht.com Website - www.ekadrisht.com

**Date:** 10<sup>th</sup> October, 2023

To,

The Board of Directors

**Tango IT Solutions India Private Limited.**

Cheran Illam,1330, Thadagam Road,

RS Puram, Kovai 2,

Coimbatore TN-641002 IN

**Dear Sir(s),**

**Subject: Report on fair valuation of Equity Shares of "Tango IT Solutions India Private Limited".**

### **I. Purpose:**

We have been engaged by the management of Tango IT Solutions India Private Limited (hereinafter referred to as "TISIPL") (CIN: U72200TZ2017PTC029089) having its registered office at Cheran Illam, 1330, Thadagam Road, R S Puram, Kovai 2, Coimbatore TN-641002 IN to carry the valuation of equity shares as on July 31st, 2023 ("**Valuation Date**") in accordance with the provisions of section 56(2)(viib) of the Income Tax Act, 1961 read with Rule 11UA of the Income Tax Rules, 1962 and for necessary regulatory compliances in relation to Foreign Exchange Management Act ("FEMA") regulations of India for the purpose of further issuance of shares and transfer of shares.

This report may be filed with Income Tax Authorities, if required.



## **II. About Ekadrisht Capital Private Limited:**

Ekadrisht Capital Private Limited Limited (hereinafter referred to as “we or ECPL”) is a private Limited Company incorporated under the Companies Act, 2013 with the Registrar of Companies, Mumbai. Our Company is a Category 1 Merchant Banker registered with Securities and Exchange Board of India (SEBI), Mumbai with Registration No.: INM000013040

## **III. Background information about the TISIPL:**

TISIPL has been incorporated on 21/06/2017. TISIPL is a VC-funded artificial intelligence company that uses deep learning technology to convert video into actionable intelligence for various industries to help automate monitoring and improve efficiencies. It is a software that integrates with existing CCTV cameras & converts video footage into actionable insights to increase sales, enhance efficiency, implement process compliance and Identify security threats.

*(Source: Company Management)*

## **IV. Sources of Information:**

For the purpose of undertaking this valuation exercise, we have relied on the following sources of information from the management of the TISIPL:

- Discussions with the Management.
- Provisional Financial Statements as on July 31st, 2023 as provided to us by the management.
- Financial projections of the company from the period 1<sup>st</sup> August 2023 to 31<sup>st</sup> March 2028 as provided by management.
- Shareholding Pattern as on the valuation date.
- Website of the NSE, BSE, & the company.
- Research websites such as Stern NYU database, MCA etc.
- Detailed description on “Future Outlook and Past Performance” as mentioned in Annexure III



Additionally, we have relied upon the information (industry as well as company specific) available on various public domain.

The Client/Company has been provided with the opportunity to review the draft report as a part of the standard practice to make sure that factual inaccuracies/ omissions are avoided in the final report.

## **V. Approach Considered in our Value Analysis:**

### **General Principle for Valuation**

There is no simple definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation is not a precise science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable simple value.

### **Selection of Valuation Methodology**

It is understood that the business of the TISIPL would continue to operate on its projected lines. Hence, the valuation has been carried out on a "going concern" basis. The objective of the valuation process is to make a best reasonable judgment of the value of Equity Shares of the TISIPL. The best reasonable judgment of the value will be referred to as the fair value (FV).

There are number of valuation methodologies to value companies/ businesses using historical and forecast financials of the company. Commonly used valuation methodologies (including those prescribed under Rule 11UA of the Income-tax Rules, 1962) are as follows:

- Net Asset Value (NAV) Method
- Discounted Cash Flow(DCF) Method



In the instant case, we have been informed that the TISIPL is a closely held company and is not listed on any stock exchange. The fair value of the Equity Shares has been determined using the discounted cash flow (DCF) Method because it is an universally accepted pricing methodology on arm's length basis.

**V. Basis for arriving at Fair Value: Discounted Free Cash Flow Method.**

In DCF Method, the projected free cash flows are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the TISIPL is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long-term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, value of non-operating assets, cash and cash equivalents, if any, is added to the enterprise value to arrive at the final enterprise value. From the final enterprise value, adjustment for debt, if any, is made to arrive at the final equity value of the TISIPL.

To arrive at value per Share of the TISIPL, Final Equity Value is divided by number of outstanding Shares as on the date of valuation.

In this method, the value of the TISIPL is based on its capacity to generate cash flows. There is some uncertainty associated with these cash flows. Thus, the difficulty in valuing firms using the DCF method is not a conceptual difficulty but an estimation difficulty. The value of the company is the present value of the expected cash flows from its assets, but those cash flows are likely to be much more difficult to estimate. The value of the company rests entirely on its future growth potential.

The inputs for the valuation have to be estimated and are likely to have considerable error associated with them. The estimates of future growth are based on the competence of the management and their capacity to convert a promising idea into a commercial success.



## **VI. Fair Valuation of Equity Share.**

We have formed an opinion on the fair value of Shares of the company, based on the information provided by the Management of the company. We are of the opinion that as on July 31<sup>st</sup>, 2023 the fair value of one Share of company is Rs.103 per share **(Refer Annexure)** (Rupees One Hundred Three Only).

The valuation is subject to the information as made available to us by the management of the company, and no specific audit has been carried on the same.

## **VII. Restricted Audience Clause:**

This report and the information contained herein are absolutely confidential and are intended for the use of Board of Directors of the Company and M/s. Lenskart Solutions Private Limited. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued without our written consent. In the event the Company or its Board of Directors extend the use of the report beyond the purpose mentioned earlier in the report, with or without our consent, we will not accept any responsibility to any other party (including but not limited to any other regulator) to whom this report may be shown or who may acquire a copy of the report.

## **VIII. Disclaimer/Limitations on the Valuation of Shares of the company:**

Our report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts, in conjunction with the relevant documents referred to therein. This report has been prepared solely for the purpose set out in this report and should not be made available to any other person (except Lenskart Solutions Private Limited), distributed, published or reproduced (in part or otherwise) in any other document whatsoever, without our written consent save and except for the limited purpose of this report.



The scope of the assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information that was used during the course of the work. We do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our report. Any updates or second opinions on this valuation report cannot be sought by the Company from external agencies without our prior written permission.

The information presented in this valuation report does not reflect the outcome of any due diligence procedures, the outcome of which could change the information contained herein and therefore, the valuation report materially.

Valuation is based on the estimates of future financial performance or opinions, which represent reasonable expectations at a particular point of time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, a particular event will occur or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates and the variations may be material.

Our value analysis is based on the information made available to us by the management of the company (including detailed description on "Future Outlook and Past Performance" as mentioned in Annexure III) and the information obtained by us from public domain as mentioned in the report. Any subsequent changes/modifications/revisions (either positive or negative) to the financial parameters and other information provided to us may alter the result of value analysis set out in this report, positively or negatively.



Also, the realization to the given projections is dependent on the continuing validity of the assumptions on which they are based.

Since the projections relate to the future, actual results are likely to be different from the projected results in case of events and circumstances not occurring as projected and the differences may be material. Our work did not constitute a validation of the financial projections of the company under consideration and accordingly, we do not express any opinion on the same. We have not commented on the appropriateness of or independently verified the assumptions or information provided to us, for arriving at the financial projections. This report is based on the information from the management of the Company. Further, this information has not been independently verified by us. We have assumed that the Company has furnished to us all information, which it is aware of concerning the financial statements and respective liabilities, which may have an impact on our report.

Our work did not constitute an audit in accordance with Indian GAAP/ International Financial Reporting Standards and all other applicable accounting practices and procedures and examination/review of internal controls or other attestation or review services. Accordingly, we do not express an opinion on the information presented.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us by the management of the company; other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We have reviewed the information made available to us for overall consistency and have not carried out any detailed tests in the nature of audit to establish the accuracy of such statements and information.



Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the company for and on behalf of the company.

We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents of the company other than those stated above. We have not made any independent verification of the physical assets of the company and accept no responsibility for the same.

It should be noted that for the purpose of determining fair Value of Shares of the TISIPL as on July 31<sup>st</sup>, 2023, we have not considered the impact of any events on the valuation of the company, which have occurred post the date of the valuation except mentioned in this report. Further, this valuation report is based on the extant regulatory environment and the business/ market conditions, which are dynamic in nature and may change in future, thereby impacting the Company under valuation.

Our scope of work does not include verification of data submitted by the management of the company and has been relied upon by us as such.

We understand that the management of the company, during our discussions with them, would have drawn our attention to all such information and matters, which may have had an impact on our valuation. In this report we have included all such information and matters as was received by us from the management of the company.

This valuation report should not be regarded as a recommendation to invest in or deal in any form of securities of the company and should also not be considered as its final equity value for the purpose of Investment.



The Management or related parties of the company and its subsidiaries/ associates/ group companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

No investigation of the Company's claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loan disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. The report is not, nor should it be construed, as our opinion or certifying the compliance with the provisions of any law, including but not limited to, Circulars/ Guidelines/ Notifications/ Rules/ Regulations etc. issued by the Reserve Bank of India, and Tax Laws related laws by the company.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

Whilst all reasonable care has been taken to ensure that the facts stated in the report are accurate and opinion given is fair and reasonable, In the particular circumstances of this case, our liability for any economic loss or damage arising out of or in connection with this engagement, however the loss or damage is caused, shall be limited to the amount of fees actually received by us from the company as laid out in the engagement letter, for such review and valuation work.



Notwithstanding anything contained in this report, ECPL, its Directors and employees will not be liable to any party for any direct, indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this engagement.

**For Ekadrisht Capital Private Limited**  
**SEBI Registered Merchant Banker – Cat 1**  
**INM000013040**

For Ekadrisht Capital Private Limited

 Director

**Suraj Jha**  
**Director**

**Date: October 10, 2023**

**Place: New Delhi**

## Annexure

### Annexure - I

We have relied on the projections given by the management of the Company enclosed herewith as Annexure – II to this report. The management has also informed us that the projections have been revised significantly based on the future industry outlook and performance of the company in the recent past (i.e, mainly post its last round of funding in October 2021). The factors and industry outlook, as informed to me by the management of the Company in the Management Representation Letter, are enclosed as Annexure – III.

Tango IT Solutions India Private Limited  
Valuation Date

31-Jul-23

Computation of Free Cash Flow to firm	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28
Revenue	2,94,45,096	6,65,18,770	11,64,07,848	19,78,93,341	24,73,66,676
<b>Growth Y-O-Y</b>		<b>126%</b>	<b>75%</b>	<b>70%</b>	<b>25%</b>
Net Profit after Tax	-6,16,35,104	-2,87,29,817	86,96,449	3,08,98,087	5,63,81,642
Add: Depreciation & Amortization	53,64,122	9,68,486	5,81,092	3,48,655	2,09,193
<b>Cash Operating Profit</b>	<b>-5,62,70,982</b>	<b>-2,77,61,331</b>	<b>92,77,540</b>	<b>3,12,46,742</b>	<b>5,65,90,835</b>
<b>Adjustments for :</b>					
Less: Change in Non-cash Working Capital	-81,05,057	-36,79,793	-1,53,00,949	-2,06,74,992	-1,13,44,169
Less: Capital Expenditure - As per FAR	-39,70,400	-	-	-	-
Add: Interest Post Tax	-	-	-	-	-
<b>Net Free Cash Flows to Equity Share holders</b>	<b>-6,83,46,439</b>	<b>-3,14,41,124</b>	<b>-60,23,408</b>	<b>1,05,71,750</b>	<b>4,52,46,666</b>
Year Fraction	0.67	1.00	1.00	1.00	1.00
Cash Flow Period (Mid-Year Adjustment)	0.33	1.17	2.17	3.17	4.17
Present Value Factor	0.93	0.76	0.61	0.48	0.38
<b>PV of FCFF</b>	<b>-6,32,88,334</b>	<b>-2,40,22,891</b>	<b>-36,54,204</b>	<b>50,92,379</b>	<b>1,73,05,484</b>

Computation of Terminal Value (H-Model)	
WACC	25.94%
Long term Growth Rate	25%
Short Term Growth Rate	3%
High Growth Period	5
<b>Free Cash Flow</b>	<b>4,52,46,666</b>
Part A	19,78,25,857
Part B	10,85,62,970.21
Terminal Value	30,63,88,827
<b>PV of Terminal Value</b>	<b>11,71,84,480.42</b>



### H-model

The basic two-stage model assumes a constant, extraordinary rate for the supernormal growth period that is followed by a constant, normal growth thereafter.

Fuller and Hsia (1984) developed a variant of two-stage model in which growth begins at a high rate and declines linearly throughout the supernormal growth period until it reaches a normal rate at the end. The value of the cash flow stream in the H-model is

$$V_0 = C_0 \cdot (1 + G_L) / (R - G_L) + C_0 \cdot H \cdot (G_S - G_L) / (R - G_L)$$

Or

$$V_0 = [C_0 \cdot (1 + G_L) + C_0 \cdot H \cdot (G_S - G_L)] / (R - G_L)$$

Where,

$V_0$  = Value of cash flow at  $t = 0$

$C_0$  = Cash Flow

$G_S$  = Initial short-term growth rate

$G_L$  = Initial long-term growth rate

H = half-life in years of the high-growth period

R = required rate of return on equity

Basis the projections and inputs provided by the management we have considered 25% growth for the supernormal growth period and 5-year period to transition to stabilized growth period. Further stabilized growth of 2.5% has been considered.

<b>Computation of Share Price</b>	
Sum of PV of FCFF	-6,85,67,566
PV of Terminal Value	11,71,84,480
<b>Enterprise Value</b>	<b>4,86,16,914</b>
Cash	17,28,943
Debt	(1,91,98,913)
<b>Equity Value</b>	<b>3,11,46,944.24</b>
DLOM	73,02,037.14
<b>Adjusted Equity Value</b>	<b>2,38,44,907.10</b>
Total Shares	2,31,504.00
<b>Share Price</b>	<b>103</b>



<b>Cost Of Equity as per CAPM :</b>		
Cost of Equity (Ke)	Ke	Rf+[Rm-Rf]*b
Risk free rate of return (Rf)	10 year India Government Bond - July-31,2023	7.17%
Market Return	S&P BSE 200 returns since Base Year 1979	15.79%
Beta (b)	Beta - Software (System & Application)	0.77
Cost Of Equity as per CAPM		13.81%
<b>Cost Of Equity as per CAPM</b>		<b>13.81%</b>
Unsystematic Risk Premium		14%
<b>Cost Of Equity as per CAPM</b>		<b>28.02%</b>

<b>Sensex as on</b>		
01-Apr-79	Base Year	100
31-Jul-23	Valuation date	66527
Year Fraction		44.33
<b>Market Return</b>		<b>15.79%</b>

<b>Cost of Debt</b>	
Risk Free Rate	7.17%
Default Credit Spread	2.69%
Tax Rate	26%
<b>Cost of Debt(Post Tax)</b>	<b>7.30%</b>

<b>WACC Computation</b>			
Debt%	10%	Cost of Debt	7.30%
Equity%	90%	Cost of Equity	28.02%
<b>WACC</b>			<b>25.94%</b>

**NOTE: Since the company's net worth is negative as per the financials on the date of valuation. So, we have assumed the capital structure ratio i.e 90% equity: 10% debt, but is subject to the approval of the management.**



Computation of DLOM	
Strike Price	1
Spot Price	1
Time to Maturity	5
Dividend Yeild	0%
Risk Free Rate	7.17%
Volatility	51.46%
d1	0.886981945
d2	-0.263698636
N(d1)	0.812455689
N(d2)	0.396006073
N(-d1)	0.187544311
N(-d2)	0.603993927
Put	0.234438316
<b>DLOM</b>	<b>23%</b>

Industry Name	Std Deviation in Equity
Software (System & Application)	51.46%

## What is the Discount for Lack of Marketability (DLOM)?

The discount for lack of marketability (DLOM) is applied to private companies when valuing them. It relates to the company not being publicly traded on a financial exchange. Publicly-traded companies are perceived to have a "market" since the shares can be bought or sold in a centralized marketplace. Private companies do not have a centralized market and are perceived as having less of a market. As a result, in theory, private companies – with all else being equal – should be valued at a lower amount than a public company to reflect the lack of a market.

### Understanding the Discount for Lack of Marketability

As mentioned, private companies do not have a centralized market to trade their shares.



Such a fact makes it much more difficult to buy and sell shares, and the lack of marketability makes the shares theoretically worth less. The discount is difficult to quantify; however, certain methods can be applied to measure the discount, including:

- Restricted stock method
- IPO method
- Option pricing method

The consensus is that the value of DLOM varies for different companies, but it usually ranges between 25% to 50%.

### ***Option pricing method***

Options on a stock give the right to purchase or sell that stock at a specified price, known as the Strike Price, at a specified date in the future. The market for options, and more specifically, the prices of options, can provide information on the value of a stock.

Since the market for options is independent of the market for the stock themselves, the difference between a certain strike price and the price of a certain option can inform the value of the DLOM.



**Annexure II**

<b>Projected Profit and Loss Account</b>	<b>Projections</b>	<b>Projections</b>	<b>Projections</b>	<b>Projections</b>	<b>Projections</b>
<b>Particulars</b>	<b>31-Mar-24</b>	<b>31-Mar-25</b>	<b>31-Mar-26</b>	<b>31-Mar-27</b>	<b>31-Mar-28</b>
<b><u>Incomes:</u></b>					
Revenue From operations	2,94,45,096	7,36,12,740	12,88,22,295	21,89,97,902	27,37,47,377
<b>Income From operations</b>	<b>2,94,45,096</b>	<b>7,36,12,740</b>	<b>12,88,22,295</b>	<b>21,89,97,902</b>	<b>27,37,47,377</b>
Other Income	-	-	-	-	-
<b>(A)</b>	<b>2,94,45,096</b>	<b>7,36,12,740</b>	<b>12,88,22,295</b>	<b>21,89,97,902</b>	<b>27,37,47,377</b>
<b><u>Expenditure:</u></b>					
Cost of materials consumed	-	-	-	-	-
Purchases	-	-	-	-	-
Employees Benefits Expense	5,90,37,286	6,49,41,015	7,14,35,116	10,71,52,674	11,78,67,942
Finance Cost	-	-	-	-	-
Selling and Administrative Expenses	-	-	-	-	-
Other Expenses	2,71,04,442	2,98,14,886	3,27,96,375	4,91,94,562	5,41,14,018
<b>PBDT</b>	<b>5,66,96,632</b>	<b>2,11,43,161</b>	<b>2,45,90,804</b>	<b>6,26,50,665</b>	<b>10,17,65,417</b>
<b>Depreciation &amp; Amortization</b>	<b>-1.93</b>	<b>-0.29</b>	<b>0.19</b>	<b>0.29</b>	<b>0.37</b>



Depreciation & Amortization	53,64,122	9,68,486	5,81,092	3,48,655	2,09,193
<b>Profit / (Loss) before tax</b>	<b>6,20,60,754</b>	<b>2,21,11,647</b>	<b>2,40,09,712</b>	<b>6,23,02,010</b>	<b>10,15,56,224</b>
<b>Less: Deferred Tax provision</b>	-	-	-	-	-
<b>Less: Current Tax provision</b>	-4,25,650	-4,75,800	60,02,428	1,55,75,503	2,53,89,056
<b>Less: Current Tax Adjustments for Earlier Years</b>	-	-	-	-	-
<b>Profit / (Loss) for the year</b>	<b>6,16,35,104</b>	<b>2,16,35,847</b>	<b>1,80,07,284</b>	<b>4,67,26,508</b>	<b>7,61,67,168</b>
<b>Less: Dividend</b>	-	-	-	-	-
<b>Profit / (Loss) for the year</b>	<b>6,16,35,104</b>	<b>2,16,35,847</b>	<b>1,80,07,284</b>	<b>4,67,26,508</b>	<b>7,61,67,168</b>

<b>Projected Balance Sheet Particulars</b>	<b>Projections 31-Mar-24</b>	<b>Projections 31-Mar-25</b>	<b>Projections 31-Mar-26</b>	<b>Projections 31-Mar-27</b>	<b>Projections 31-Mar-28</b>
<b><u>Sources of Funds:</u></b>					
Capital	21,86,120	21,86,120	21,86,120	21,86,120	21,86,120
Reserves & Surplus	-	-	-	-	-
	6,26,32,852	8,42,68,699	6,62,61,414	1,95,34,907	5,66,32,261
Equity Infusion	6,00,00,000	8,05,00,000	8,05,00,000	8,05,00,000	8,05,00,000
<b>Non Current Liabilities</b>					



Long Term Borrowings	1,91,98,913	1,91,98,913	1,91,98,913	-	-
Deferred Tax Liabilities, net	-	-	-	-	-
Other Long Term Liabilities	-	-	-	-	-
Long Term Provisions	-	-	-	-	-
<b><u>Current Liabilities</u></b>					
Short Term Borrowings		-	-	-	-
Trade Payables					
Due to Micro and Small Enterprises	-	-	-	-	-
Due to Others	65,780	-	-	-	-
Other Current Liabilities	5,75,800	-	-	-	-
Short Term Provisions	21,33,656	24,87,100	29,39,300	38,21,090	49,67,417
<b>TOTAL</b>	<b>2,15,27,417</b>	<b>2,01,03,435</b>	<b>3,85,62,919</b>	<b>6,69,72,303</b>	<b>14,42,85,798</b>
<b><u>Applications of Funds:</u></b>					
<b><u>Non-Current Assets</u></b>					
<b>Fixed Assets</b>					
Tangible Assets	24,21,215	14,52,729	8,71,637	5,22,982	3,13,789
Intangible Assets	-	-	-	-	-



Capital WIP	-	-	-	-	-
Intangible Asset WIP	-	-	-	-	-
Deferred Tax Assets	-	-	-	-	-
Long Term Loans & Advances	-	-	-	-	-
Non-current Investments	-	-	-	-	-
Other Non-current Assets	22,86,473	25,15,120	27,66,632	30,43,296	33,47,625
<b><u>Current Assets</u></b>					
Current Investments	-	-	-	-	-
Inventories	-	-	-	-	-
Trade Receivables	96,90,449	1,30,82,106	3,17,64,402	5,39,99,483	6,74,99,353
Cash and Bank Balances	58,09,781	17,33,979	17,08,798	64,90,625	6,99,17,520
Short-term loans & advances	-	-	-	-	-
Other Current Assets	13,19,500	13,19,500	14,51,450	29,15,918	32,07,510
<b>TOTAL</b>	<b>2,15,27,418</b>	<b>2,01,03,434</b>	<b>3,85,62,919</b>	<b>6,69,72,304</b>	<b>14,42,85,798</b>



### **Future Outlook and Past Performance**

The retail industry has undergone significant transformations, largely driven by the rise of e-commerce, heavy competition and changes in consumer behaviour. These shifts have had a profound impact on companies operating in the retail sector. The following are major factors that have negatively affected the company's outlook in the two years since its last round of funding in October 2021.

1. **Difficult Funding Environment:**
  - a. The funding environment has become increasingly challenging for retail companies in recent years. Investors have become more cautious, especially in the wake of economic uncertainty caused by events like the COVID-19 pandemic.
  - b. Market volatility and changing investor sentiment have made it difficult for retail companies to secure additional capital or funding at favourable terms.
  - c. The company's ability to raise capital to support growth initiatives, such as investing in technology, may have been compromised due to this challenging funding landscape.
  
2. **Retail Companies Cutting Spend:**
  - a. Many traditional retail companies have been forced to cut their spending in response to economic challenges and evolving consumer preferences.
  - b. Retail companies have reduced expenditures on areas such as marketing, store renovations, and new store openings, which can negatively impact suppliers and service providers like the company in question.
  - c. Reduced spending by retail clients directly affects the company's revenue streams, making it challenging to maintain or grow its business.
  
3. **E-commerce Growth Impacting New Store Expansion:**
  - a. The rapid growth of e-commerce has shifted consumer shopping habits, leading to reduced demand for new physical store locations.
  - b. Retail companies are increasingly focusing on strengthening their online presence rather than opening new brick-and-mortar stores.
  - c. As a result, the company may face reduced demand for its services related to store expansion and development, negatively affecting its growth prospects.



4. Longer Sales Cycles with Retail Brands:
  - a. Retail brands facing tighter budgets, leads to services like what we offer gets put on back seat.
  - b. Often the Companies have longer decision-making processes when it comes to engaging with service providers like Tango due to multiple levels of hierarchy.
  - c. Longer sales cycles can strain the company's sales and business development efforts, requiring more time and resources to secure new contracts.
  - d. Delays in closing deals with retail brands can impact revenue and cash flow, further challenging the company's financial stability.
  
5. Other Negative Factors:
  - a. Economic downturns, such as the one caused by the COVID-19 pandemic, have had a lasting impact on consumer spending and retail businesses.
  - b. Supply chain disruptions and rising commodity prices have increased operational costs for retail companies, potentially affecting their ability to invest in external services.
  - c. Changing consumer preferences and the need for digital transformation have required retail companies to allocate their resources differently, potentially affecting their engagement with the company.



### **STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS**

- This report is subject to the following assumptions and limiting conditions:
- We have no present or contemplated financial interest in the Company. Our fees for this report are based upon our normal hourly billing rates, and in no way are contingent upon the results of our findings. We have no responsibility or obligation to update this report for events or circumstances brought to our attention or occurring subsequent to the date of this report.
- Users of this report should be aware this report is based on assumptions regarding future earnings potential, and/or certain asset values that may or may not materialize. Therefore, the actual results achieved in the future will vary from the assumptions utilized in this report, and the variations may be material.
- Our report is based on historical and/or prospective financial information provided to us by the Management and other third parties. Had we audited the underlying data, matters may have come to our attention, which would have resulted in our using amounts that differ from those provided.
- The Company and its representatives warranted to us that the information they supplied was complete and accurate to the best of their knowledge and that the financial statement information reflects the Company's results of operations and financial condition, unless otherwise noted. Information supplied by the Management has been accepted as true and correct, and we express no opinion on that information.
- We have relied upon the representations of the owners, the Management and other third parties concerning the value and useful condition of all equipment, real estate investments, investment used in the business, and any other assets or liabilities except as specifically stated to the contrary in this report. We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the Company has good title to all assets.
- We have assumed that the Company will maintain the character and integrity of the Company through any reorganization or reduction of any owner's/manager's participation in the existing activities of the Company.
- The various estimates of value presented in this report apply to this valuation only and may not be used out of the context presented herein. This valuation is valid only for the purpose or purposes specified herein. This report is valid only for the valuation date specified herein.
- The valuation contemplates facts and conditions existing as on the Valuation Date. Events and conditions occurring after that date have not been considered, and we have no obligation to update our report for such events and conditions.
- We have assumed that there is full compliance with all applicable central and state regulation, and laws unless otherwise specified in this report.



- We have presented certain information within this report, which was taken from sources including, but not limited to, financial statements, tax returns, and corporate history. This information has been supplied by the Companies or their representatives. The historical financial information presented within is included solely to assist in the development of the value conclusion presented in this report, and it should not be used to obtain credit or for any other purpose. Because of the limited purpose of this presentation, it may be incomplete and contain departures from generally accepted accounting principles. We have not audited, reviewed, or compiled this presentation and express no assurance on it. Accordingly, this report should not be construed, or referred to, as an audit, examination, or review by ECPL.
- Possession of this report, or a copy thereof, does not carry with it the right of publication of all or part of it, nor may it be used for any purpose by anyone but the Management without the previous written consent of ECPL, and, in any event, only with proper attribution.
- Any recast financial statements, forecasts, or pro forma statements are the result of data provided by the Company, their officers, or representatives, or are based on assumptions as indicated in this report. Such recasted, forecasted, or pro forma statements may not anticipate the economic, socioeconomic, political, market, or legal factors, which may impact the operations of the subject company. Accordingly, ECPL makes no representations, expressed or implied, as to the validity of such recasted, forecasted, or pro forma statements.
- This report is neither an offer to sell, nor a solicitation to buy securities, and/or equity in, or assets of, the Company.

