

SHARE SUBSCRIPTION AGREEMENT

BY AND AMONG

MR. SURENDER GOUNDER
(as the “Promoter”)

AND

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED
(as “Company”)

AND

LENSKART SOLUTIONS PRIVATE LIMITED
(as the “Investor”)



THIS SHARE SUBSCRIPTION AGREEMENT (“Agreement”) is made at New Delhi on this 15th day of December, 2021 (“**Execution Date**”);

BY AND BETWEEN

1. **MR. SURENDER GOUNDER**, aged about 34 years, son of Mr. K.C. Palanisamy residing at 209/130 St. Mary’s Road, Pooja Pura Apartment, Alwcarpret, Chennai, Tamil Nadu – 600018 (hereinafter referred to as “**Promoter**” which expression shall, unless repugnant to the context thereof, include its heirs, executors and administrators).

AND

2. **Tango IT Solutions India Private Limited**, a company incorporated under the Companies Act, 2013, having **CIN: U72200TZ2017PTC029089** and its registered office at Cheran Illam, 1330, Thadagam Road, R S Puram, Kovai 2, Coimbatore, Tamil Nadu – 641002 (hereinafter referred to as the “**Company**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns).

AND

3. **Lenskart Solutions Private Limited**, a company incorporated under the Companies Act, 1956, having **CIN: U33100DL2008PTC178355** and its registered office at W-123, Greater Kailash, Part-2, New Delhi – 110048 (hereinafter referred to as “**Investor**”, which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns).

(Promoter, Company and Investor are hereinafter individually referred to as a “Party” and collectively referred to as the “Parties”, as the context may require.)

WHEREAS:

- A. The Company is engaged in the business of data automation, data analytics, business intelligence and artificial intelligence (“**Business**”).
- B. The Company has approached the Investor and has sought capital investment to fund its business expansion and capital expenditures and operating expenditures.
- C. The Investor already has 36,834 shares in the Company and has agreed to subscribe to further Shares (*as defined hereinafter*) of the Company against the Subscription Share Consideration (*as defined hereinafter*) in the manner stated in this Agreement.
- D. The Parties are now entering into this Agreement for the purpose of recording the detailed terms of Investment (*as defined hereinafter*) by the Investor in the Company and regulating the relationship of the Promoter, the Investor and the Company.

NOW THEREFORE, in consideration of the mutual representations, warranties, covenants and agreements set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Agreement (including the recitals above and the annexures, schedules and exhibits hereto), except where the context otherwise requires, (a) capitalised terms defined by inclusion in quotations and/or parenthesis have the meanings so ascribed; and (b) the following words and expressions shall have the following meanings:

“**Act**” means the Companies Act, 2013 and includes the rules, regulations, circulars, notifications issued thereunder, as amended, substituted, or replaced from time to time.

“**Affiliate**” shall mean, with respect to any entity, any person or other entity that, directly or indirectly, controls, is controlled by, or is under common control with, such entity, where the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through the ownership of voting securities, by contract, or otherwise.

“**Agreement**” means this share subscription agreement, the recitals set forth in the preamble herein, and all annexures attached hereto, as well as all amendments, additions, restatements or modifications made hereto and thereto and all other documents incorporated herein or therein by reference, all of which are hereby made an integral part of and will be read as if included within the text of this share subscription agreement.

“**Applicable Law(s)**” means all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decree, directives, accounting principles or other requirements of any Governmental Authority (as defined hereinafter) having jurisdiction over the matter in question whether in effect as of date of this Agreement or thereafter.

“**Article of Association**” means the article of association of the Company.

“**Charter Documents**” means the memorandum of association and article of association of the Company.

“**Confidential Information**” means all information that falls within the types of information which has been designated as confidential by either Party or that ought to be considered as confidential (howsoever it is conveyed or on whatever media it is stored in) including information which relates to the business, affairs, properties, assets, trading practices, services, customers, developments, trade secrets, Intellectual Property (as defined hereinafter) rights, know-how, personnel and suppliers of either Party.

“**Closing**” means the consummation of all the actions stipulated under Clause 4.3 and **Annexure 5** of this Agreement.

“**Closing Date**” means the date on which Closing occurs which shall be the date being 15 (fifteen days) calendar days following the Execution Date.

“**Disclosure Schedule**” shall have the meaning ascribed to it under annexure 3 of the share subscription agreement dated October 05, 2020, as executed between the Parties and the Updated

Disclosure Schedule.

“Encumbrance” means, as per the reference to the context: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) any proxy, power of attorney or voting agreement; (iii) any adverse claim as to title, possession or use; or (iv) purchase or option agreement or arrangement, right of first refusal, right of first offer; in each case, other than as set out in the Shareholders’ Agreement (*as defined hereinafter*) and the Charter Documents.

“Equity Securities” means equity shares issued by the Company.

“Execution Date” shall have the meaning ascribed to it in the Preamble to this Agreement.

“Force Majeure” means any event which is outside the reasonable control of the Investor impairing the Investor’s ability to perform any of its obligations under this Agreement, including, but not limited to acts of god, fire, flood, lightning, war, revolution, act of terrorism, riot or civil commotion, epidemic, pandemic (including as declared by the World Health Organisation), government lockdown, curfew, quarantine, lock-outs or other industrial action.

“Fully Diluted Basis” means the number of Equity Securities of the Company, calculated as if the then issued and outstanding Securities (including stock options), whether or not by their terms then convertible, exercisable or exchangeable, had been converted, exercised or exchanged, as the case may be, in full and to their maximum extent into Equity Securities.

“Governmental Authority” means in any applicable jurisdiction or forum, any (a) court, arbitral or other tribunal; (b) governmental or quasi-governmental authority of any nature (including any political subdivision, instrumentality, department, official or entity); or (c) agency, commission, ministry, committee, inspectorate, authority or body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature.

“Initial Business Plan” shall mean the roadmap including the product development roadmap of the business of the Company from December 2021 to November 2022 as annexed in **Annexure 7**.

“Key Employees” shall mean and include all directors in full time employment, key managerial persons defined under the Act, as well as the Promoter.

“Loss(es)” mean any direct and actual loss, claim, damage, fine, penalty, interest, Tax (as defined hereinafter) and expense (including reasonable attorneys’ or other reasonable professional fees, expenses and court costs).

“Material Adverse Effect” means any (i) event, occurrence, fact, condition, change, development or effect that is or may be materially adverse to the business, operations, prospects, results of operations (financial or otherwise and including without limitation any material increase in provisions or contingent liability if any, in the latest unaudited financial statements), properties (including intangible properties), assets (including intangible assets) or liabilities of the Company; or (ii) material impairment of the ability of the Company and/or the Promoter to perform its/their

obligations hereunder or to consummate the transactions contemplated hereby, or to execute or be bound by the terms and conditions contained in this Agreement or the Shareholders' Agreement (as defined hereinafter).

“**Person**” means any natural person, firm, company, Governmental Authority, joint venture, association, partnership, society, limited liability partnership or other entity (whether or not having separate legal personality).

“**Shares**” or “**Equity Shares**” means 28,919 equity shares of Rs. 10 each issued to the Investor by the Company, at a premium of Rs. 1,719 on the Closing, as set forth in Clause 2.1 below.

“**Securities**” means the Equity Securities, preference shares (including optionally convertible, redeemable preference shares), debentures, bonds, loans, warrants, options or other similar instruments or securities of the Company, which are convertible into or exercisable or exchangeable for or which carry a right to subscribe to or purchase Equity Securities or any instrument or certificate representing a legal or beneficial ownership interest in Equity Securities, including global depository receipts or american depository receipts.

“**Shareholders' Agreement**” means the shareholders' agreement dated October 8, 2020 read with Amendment to the Shareholder Agreement dated December 15, 2021 entered into between the shareholders of the Company which provides for certain matters relating to the rights of the Investor, the Company, the Promoter and other existing shareholders including those relating to the management and operations of the Company, as amended, substituted or replaced from time to time.

“**Subscription Share Consideration**” or “**Investment**” means the total amount payable by the Investor to the Company as consideration for the Shares issued to the Investor in terms of Clause 2.1 (b) of this Agreement.

“**Tax**” means and includes any income tax, land tax, sales tax, fringe benefits tax, withholding tax, customs duties, excise duties, stamp duty, GST or any other taxes or cess or levies or duties imposed by any Government Authority (including fines, additional tax, interest or penalties) in India.

“**Transaction Documents**” shall mean this Agreement, share subscription agreement dated October 05, 2020, the Shareholders' Agreement, employment agreements with the Key Employees, and any other agreement, certificate, document, deed or opinion executed in connection with or pursuant to any such agreements and all agreements, certificates, documents and/or deeds executed to supplement or amend any Transaction Document, as agreed by the Parties.

“**Updated Disclosure Schedule**” shall mean an updated disclosure letter as on the Execution Date provided by the Company to the Investor at least 1 (one) calendar day prior to the Execution Date as annexed as **Annexure 2** of this Agreement for the events occurring between October 05, 2020 and the Execution Date.

1.2 Interpretations

- (a) All references in this Agreement to statutory provisions shall be construed as meaning and including references to any statutory modification, consolidation or re-enactment (whether before or after the date of this Agreement) for the time being in force, all statutory instruments or orders made pursuant to a statutory provision, and any statutory provision of

which these statutory provisions are a consolidation, re-enactment or modification.

- (b) In construing this Agreement, the singular shall include the plural and vice-versa and any gender shall include all the genders.
- (c) The headings of various Articles and Clauses in this Agreement are inserted for convenience only and shall not affect the construction of the relative provisions.
- (d) Other terms referred to but not defined in this Agreement shall, unless defined otherwise or unless inconsistent with the context or meaning thereof, bear the same meaning as defined under the Act, prevailing in India and failing that any other relevant, applicable statute/legislation.
- (e) References to recitals, Articles, Clauses or Annexures are, unless the context otherwise requires, references to recitals, Articles, Clauses or Annexures to this Agreement.
- (f) Any reference to "writing" includes printing, typing, lithography, and other means of reproducing words in permanent visible form.
- (g) The terms "include" and "including" shall mean "including without limitation".
- (h) Any reference to the transfer of Shares or other Securities shall include reference to any action, which has the effect of creating any third-party interest in or over the Shares or other Securities, or the sale, creation of a pledge or a lien, or any other encumbrance or any other security in or over the Shares or other Securities.
- (i) Any reference in this Agreement to par or face value in relation to any share or other security shall mean the value expressed on the face of the certificate representing the share or other security, at the relevant point of time, irrespective of the actual price paid for that share or other security by the holder thereof.
- (j) Other terms defined elsewhere in this Agreement shall, unless inconsistent with the context or meaning thereof, bear the same meaning as therein defined.

ARTICLE – II AGREEMENT AND TERMS OF SUBSCRIPTION

2.1 Amount and Terms of Subscription

- (a) The Investor agrees to subscribe to, and the Company agrees to allot to the Investor, on the terms and conditions contained herein, Shares for the Subscription Share Consideration set forth in sub- clause 2.1.(b) below.
- (b) The Investor shall invest a total of Rs. 5,00,00,951 (Indian Rupee Five Crores and Nine hundred and Fifty-One Only) for a value of Rs. 10 per share to be issued at a premium of Rs. 1,719 and be allotted a total of 28,919 Shares of the Company upon Closing as set forth in this Agreement.
- (c) The paid-up share capital of the Company and ownership structure pre investment, and upon Closing, is set forth in **Annexure 1** to this Agreement.

2.2 Allotment of Equity Shares

- (a) The Company shall allot the Shares to the Investor simultaneously with the realisation of the Subscription Share Consideration as set out in this Agreement and dispatch the certificates in respect of such Shares immediately thereafter.
- (b) All the Shares shall be issued in the name of the Investor.
- (c) In the event of any delay in issue of the certificates by the Company under any of the above provisions, the Investor shall have the right to rescind this Agreement and recall the Subscription Share Consideration in terms of the Applicable Law.
- (d) The Shares shall rank *pari passu* with the existing equity shares of the Investor, as issued by the Company with respect to corporate actions, including but not limited to voting rights, dividends, bonus, and rights' shares.

2.3 Issue of Shares

The Investor reserves the right to require the Company to issue the Shares subscribed to by the Investor in demat form in the event that the shares of the Company become publicly traded or the Investor otherwise requires the same. The Company shall amend its Articles of Association for such purpose, wherever necessary.

ARTICLE III REPRESENTATIONS AND WARRANTIES

3.1 Company Warranties

Subject to the Disclosure Schedule, the Company and the Promoter hereby jointly and severally represent and warrant to the Investor in terms of the warranties and representations as detailed below and acknowledge that the Investor has agreed to execute this Agreement and pursue the contemplated transaction relying entirely upon these warranties and representations in detail. The Company and the Promoter will re-affirm to the Investor the warranties and representations in detail on Closing, subject to appropriate disclosures where any warranty or representation is untrue or incorrect.

- 3.2** The Company and the Promoter accordingly represent and warrant to the Investor as on the Execution Date and the Closing Date that:

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) 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 its Charter Documents; or
 - (iv) violate any injunction, judgment, order, decree, ruling, charge, or other restriction of any court or tribunal.
- (d) The Equity Securities 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.
- (e) The Charter Documents of the Company last filed with the Registrar of Companies on 22/06/2020 are accurate and still in effect, and no amendments have been made thereafter.
- (f) 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 Closing Date in the manner heretofore conducted.
- (g) Except for the transaction contemplated by this Agreement and set forth in the Disclosure Schedule, there are no other share capital, pre-emptive rights, convertible securities, outstanding warrants, options or other rights to subscribe for, purchase or acquire from the Company and 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.
- (h) **Annexure 1** of this Agreement accurately and completely describes the capitalization table setting forth the shareholding of the shareholders as on the Execution Date and Closing Date, and the total number of securities and options issued by the Company.
- (i) There are no Securities issued by the Company other than Equity Securities as set forth in **Annexure 1**.
- (j) There is no existing fact or circumstance that may have a Material Adverse Effect on the ability of the Company, to conduct their businesses as currently conducted and contemplated to be conducted.
- (k) There has been no event, condition or change that individually or in the aggregate has had or could reasonably be expected in the foreseeable future to have a Material Adverse Effect on the Company.
- (l) 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 transaction contemplated under this Agreement.

- (m) 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.
- (n) 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, the pricing policy, or the functional assets and risk analysis.
- (o) Except for the licenses provided in the Disclosure Schedule, 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.
- (p) The Company has no subsidiary or holding or associate company.

FINANCIAL STATEMENTS AND ASSETS

- (q) Except as set forth in the Disclosure Schedule, the Company's latest audited and unaudited financial statements fairly present the financial condition of the Company at the dates of said statements and the results of its operations for the periods covered thereby and have been prepared in accordance with Applicable Law and generally accepted accounting principles and practices consistently applied, and consistent with the books and records of the Company.
- (r) The Company has not engaged in any transaction that is not required to be shown or reflected in the financial statements or accounts.
- (s) As of the date of the Company's financial statements, the Company had no liabilities, either accrued or contingent, of a nature required to be reflected in its financial statements in accordance with generally accepted accounting principles, and whether due or to become due, which individually or in the aggregate are reasonably likely to have a Material Adverse Effect on the Company or which has not been reflected in the financial statements.
- (t) Except for set forth in the Disclosure Schedule, 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.
- (u) A complete and accurate listing of all accounts receivable of the Company as of date mentioned above is attached as the schedule of account receivable in the Disclosure

Schedule.

- (v) A complete and accurate listing of all accounts payable of the Company as of date mentioned above is attached as the schedule of accounts payable in the Disclosure Schedule.
- (w) All of the Company's inventories, materials, and supplies consist of items of quality and quantity, in good condition and usable or saleable in the ordinary course of business. The values of the inventories stated in the financial statements truly and fairly reflect the Company's normal inventory valuation policies and were determined in accordance with generally accepted accounting principles, practices, and methods consistently applied or which has not been reflected in the financial statements.
- (x) Except as mentioned in the Disclosure Schedule, 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.
- (y) 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.
- (z) Except for the licenses provided in the Disclosure Schedule, 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 the Company is aware of no current circumstances likely to result in the imposition or assertion of such a fine, or penalty.
- (aa) The attached schedule of leases in the Disclosure Schedule contains an accurate and complete list of all of the Company's leasehold interests in real and material personal property and, if applicable, all liens, mortgages, or other Encumbrances upon each leasehold interest. All leases to which the Company is a party are currently in full force and effect, and no partythereto is in default.
- (bb) The Company owns the equipment, furniture, fixtures, improvements, and movable and immovable property (including IPR) set forth in attached schedule of assets in the Disclosure Schedule. 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.
- (cc) The Promoter 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.
- (dd) All equipment owned or leased by the Company is in good condition and in working order, except for ordinary wear and tear.

- (ee) Subject to the specific details set forth in Disclosure Schedule, none of the financial statements have 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.
- (ff) Since the date of Company's latest audited financial statement and the unaudited financial statement for the financial year 2021-22 until the quarter ending September 2021 annexed as **Annexure 3**, none of the following events or changes have occurred which would, individually or in the aggregate, have a Material Adverse Effect on the operations (financial or otherwise), business prospects, or assets of the Company on a consolidated basis:
- (i) change in the assets, liabilities, condition (financial or otherwise) or business of the Company from that reflected in the financial statements;
 - (ii) 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;
 - (iii) satisfaction or discharge of any Encumbrance or payment of any obligation by the Company, except in the ordinary course of business 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;
 - (iv) 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;
 - (v) change in any compensation arrangement or agreement with any employee of the Company;
 - (vi) loans made by the Company to its employees, officers, or directors other than travel advances made in the ordinary course of business;
 - (vii) sale, transfer or lease of, except in the ordinary course of business, or mortgage or pledge of imposition of lien on any of the Company's assets;
 - (viii) change in the accounting methods or accounting principles or practices employed by the Company;
 - (ix) acceptance or issuance of inter-company deposits; or
 - (x) 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.

WINDING UP AND INSOLVENCY

- (gg) 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.
- (hh) 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.
- (ii) 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.

TAXES AND STATUTORY REGISTERS/FORMS/FILINGS

- (jj) 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.
- (kk) The minute books or other records of the Company which have been provided to the Investor 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).
- (ll) 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 minutebooks.
- (mm) 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.
- (nn) 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.
- (oo) Except for the details provided in the Disclosure Schedule, 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. None of the above is, or so far as the Promoter and Company are aware is likely to be, the subject of any dispute with any Governmental Authority.
- (pp) 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.

- (qq) There is no dispute or claim concerning any Tax liability of the Company either claimed or raised by any authority in writing.
- (rr) 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.
- (ss) No Governmental Authority's action is pending, and no claim has been made against the Company or, to the knowledge of the Company and the Promoter after due and careful inquiry 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.
- (tt) 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.
- (uu) No deficiency assessment or proposed adjustment of income or payroll Taxes of the Company is pending, and the Company has no knowledge, after due inquiry, of any proposed liability for any Tax to be imposed.
- (vv) 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.

CONTRACTUAL ARRANGEMENTS

- (ww) 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 any other party thereto is in breach thereof. True and correct copies of all such contracts have been delivered to the Investor on the Closing Date.
- (xx) There are no defaults or claims under any of the customer contracts or other third-party contracts/arrangements.
- (yy) The Company has not indulged in any corrupt practices in dealing with its customers or for getting business from customers.
- (zz) 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 50,000 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.

- (aaa) Except as set forth in the Disclosure Schedule, the Company has no employment or consulting contracts, deferred compensation agreements or bonus, incentive, profit-sharing, or pension plans currently in force and effect, or any understanding with respect to any of the foregoing.
- (bbb) 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.

LITIGATION AND IPR

- (ccc) All the patents, copyrights, trademarks, trade secrets, service marks, database right, design right, domain name, moral right, software, source code, software license code or any other property rights (in each case, whether registered or not and including applications for registration, if any) that grant similar rights as the foregoing, anywhere in the world (collectively, the “**IPR**” or “**Intellectual Property**”) owned by or licensed to or developed by the Company are listed in the Disclosure Schedule which schedule indicates, with respect to each, the nature of the Company's interest therein and the expiration date thereof or the date on which the Company's interest therein terminates (as applicable).
- (ddd) No other Person has an interest in or right or license to use, or the right to license others under the IPR. There is no infringement of any of the IPR by others, nor is any of the IPR subject to any outstanding order, decree, judgment, stipulation, settlement, lien, charge, Encumbrance, or attachment.
- (eee) No claim or demand has been made and no proceeding has been filed or, to the knowledge of the Company, is threatened to be filed charging the Company with infringement of any patent, trade name, trademark, service mark, or copyright. 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 IPR.
- (fff) The Company owns or has the right to use, free and clear of any claims or rights of others, all 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.
- (ggg) 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.
- (hhh) 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.

- (iii) 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.
- (jjj) 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.
- (kkk) 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 IPR.
- (lll) 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.
- (mmm) The Promoter and the Company's employees have entered into written agreements with the Company, as applicable, for assigning to the Company all rights in IPR developed in the course of their employment with the Company, as applicable.
- (nnn) There is no Person other than a current employee of the Company that has alone or in concert with others, developed, invented, discovered, derived, programmed or designed the Intellectual Property, or who has knowledge of or access to information about the Intellectual Property.
- (ooo) Each of the current employees of the Company is bound by his or her employment/service agreement or the written policies of the Company for safeguarding confidentiality and privacy of IPR.
- (ppp) The business as currently conducted or contemplated as described in the business plan 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.
- (qqq) The Company is not a party to any litigation or arbitration or dispute resolution proceeding and that the Company and the Promoter are not aware of any facts likely to give rise to such litigation or arbitration or claims against the Company.
- (rrr) The foregoing actions includes, without limiting its generality, actions pending or threatened involving the prior employment or business interests of the Promoter 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.
- (sss) Neither the Company nor the Promoter 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.
- (ttt) There is no action, suit, proceeding or investigation by the Company or the Promoter

currently pending or that the Company or the Promoter intend to initiate.

(uuu) The Company has not received any letter or notice from the revenue authorities in relation to the international transactions entered into by the Company.

OTHER AGREEMENTS

(vvv) Except as set forth in the Disclosure Schedule, the Company has no agreement, obligation or commitment with respect to the election of any individual or individuals to the board of directors.

(www) Except as set forth in the Disclosure Schedule, there are no voting agreements, stock agreements, sweat equity arrangements, stock option plans, share subscription agreements, shareholders agreements or investor rights agreements or other arrangement of a similar nature among the Company's shareholders. Further, the Company has issued the Employee Stock Option Plan 2020 in accordance with Applicable Law, and that any action taken under this plan shall not dilute or adversely affect the shareholding (or ancillary rights) of the Investor in any manner. None of the employees of the Company have been granted or vested with any stock options pursuant to the Employee Stock Option Plan 2020.

(xxx) No officer or shareholder of the Company, or any affiliate or relative or related party of any such person or the Company, either directly or indirectly, has or has had any of the relationships, has or has had any of the beneficial interest, or entered or proposed to enter any of the transactions referenced in the preceding sentence which could, either individually or in the aggregate be material to the Company.

EMPLOYEES AND DIRECTORS

(yyy) 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.

(zzz) Except as set forth in the Disclosure Schedule, 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.

(aaaa) 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.

(bbbb) The Company's relations with their respective employees are good and no such employee has violated any term of his or her employment agreement.

(cccc) Except as set forth in the Disclosure Schedule, no power of attorney or authorities have been issued in favour of any officer and/or employee to bind the Company.

(dddd) Neither the employment by the Company of any of their respective employees nor the

engagement by them with any of their respective consultants, constitutes or is likely to constitute a breach of any of such persons' obligations to third parties, including non-competition or confidentiality obligations.

MISCELLANEOUS REPRESENTATIONS

(eeee) 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.

(ffff) 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.

(gggg) Each of the warranties and representations in detail is to be construed independently of the others and is not limited by reference to any other representation or warranty.

(hhhh) 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 to the Investor 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.

(iiii) 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 Investor in writing by the Company.

(jjjj) The disclosures made under the Disclosure Schedule attached to the share subscription agreement dated October 05, 2020 are true and accurate as on the Execution Date except as provided in the Updated Disclosure Schedule.

(kkkk) The Company and the Shareholders excluding the Investor has complied with all its obligations under the Transaction Documents.

3.3 Promoter Warranties:

The Promoter represents and warrants to the Investor as on the Execution Date and the Closing Date that:

- (a) It has full power, capacity, competence and authority to execute, deliver and perform this Agreement;
- (b) Neither the execution, delivery nor performance of this Agreement, nor the consummation of the transactions contemplated hereby will violate any Applicable

Law; or any injunction, judgment, order, decree, ruling, charge, or other restriction of any or court or tribunal or any other agreement, contract, or obligation of the Promoter;

- (c) It is not insolvent, and has not committed any act which could be regarded as an act of an insolvent person and is able to pay its debts, if any;
- (d) The Promoter is only a non-executive director in the companies/entities listed in Disclosure Schedule and he is not involved in the day-to-day management or affairs of these companies and/or any other companies or otherwise appointed a director on the board of any other companies;
- (e) Except for as set forth in the Disclosure Schedule, the Promoter does not have any investment/shareholding exceeding 10% in any of the entities/ companies;
- (f) The Promoter is not an executive director in any company or entity, and does not have any conflicting interest in any entity or company;
- (g) No transaction or action has been undertaken by the Promoter in respect of the Company that may result in any Material Adverse Effect on the business;
- (h) There is no contravention or violation of any law with respect to any accounting or financial matters;
- (i) IPR does not infringe or violate any third-party Intellectual Property rights and is not utilized for any development activities or creation of any third party's Intellectual Property rights;
- (j) The obligations of the Promoter under this Agreement shall constitute legal, valid and binding obligations on him;
- (k) The Promoter has complied with all its obligations under the Transaction Documents; and
- (l) The Promoter has resigned from the directorship of the following companies Real Madras Asset Development Private Limited, Tango Ventures Private Limited, Aglynk Initiative Private Limited & Cherry Holdings Private Limited and share ROC filings of the same with the Investor. The Promoter shall also confirm that there are no dues owed to him by these foregoing entities or by him to these foregoing entities.

3.4 Investor Warranties:

The Investor represents and warrants to each of the Promoter and the Company as follows:

- (a) It has full power, capacity, and authority to execute, deliver and perform this Agreement. This Agreement constitutes its valid and legally binding obligation, enforceable in accordance with its terms and conditions; and
- (b) Neither the execution, delivery nor performance of this Agreement, nor the consummation of the transactions contemplated hereby will violate any applicable

law; or any injunction, judgment, order, decree, ruling, charge, or other restriction of any or court or tribunal or any other agreement, contract, or obligation of the Investor.

3.5 Indemnity

- (a) The Company and the Promoter jointly and severally agree and undertake to indemnify, defend and hold harmless the Investor and its representatives against any and all Losses incurred or suffered by the Investor, arising out of or resulting from any breach or inaccuracies of any of the obligations and/or warranties, or any fraud or misrepresentation by the Promoter and/or the Company, or out of any defaults or claims arising out of previous contractual or business arrangements, or non-compliance of Applicable Law before or after the date of this Agreement.
- (b) Notwithstanding any other provision of this Agreement, the Company and the Promoter shall, jointly and severally indemnify and keep indemnified and hold harmless the Investor and its representatives from and against any Losses arising out of the following matters namely:
 - (i) Any Loss that may be suffered or arising from the violation of any third-party Intellectual Property rights;
 - (ii) Any Loss arising due to non-compliance of Tamil Nadu Shops and Establishment Act, 1947 or any other relevant law pertaining to registration of shops and establishments, Professional Tax laws and the Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal Act, 2013;
 - (iii) Any Loss arising due to non-compliance with Tax laws;
 - (iv) Any Loss arising due to inappropriate capitalization of fixed assets in the books of accounts, or books of accounts not being maintained in accordance with Applicable Law;
 - (v) Any Loss arising due to the transactions undertaken with Cheran Properties Limited, Cherraans College of Physiotherapy Tuition fee, Cherraans College of Nursing Tuition fee, Cherraans College of Nursing Tuition fee, Cheran Foundation Trust and K C Palaniswamy;
 - (vi) Any Loss arising due to any past accounting transactions recorded in books of accounts of the Company;
 - (vii) Any Loss arising due to issuance or conversion of existing loans or optionally convertible redeemable preference shares to Equity Securities by the Company;
 - (viii) Any Loss arising due to incorrect or inaccurate statutory filings including but not limited to ROC filings made under the Act and related rules/regulations;
 - (ix) Any Loss arising out of inadequate or non-existent insurance policies to secure the Company and its properties and assets;
 - (x) Any Loss arising out of payments made in respect of rent/lease arrangements,

by the Company without adequate statutory documentation or non-compliance in respect of payment of stamp duty and registration costs in respect of such arrangements;

- (xi) Any Loss pertaining to the loan transactions undertaken by the Company; and
- (xii) Any Loss arising out of incorrect or inaccurate or inflated valuation of IPR of the Company.

ARTICLE – IV

CONDITIONS PRECEDENT TO SUBSCRIPTION, CLOSING AND POST CLOSING ACTIONS

4.1. Conditions Precedent: The obligations of the Investor to subscribe to the Shares as set forth in this Agreement shall be subject to the Company and the Promoter performing all their obligations and undertakings contained in this Agreement besides complying with the subscription procedure stipulated by the Applicable Law, as also compliance with the following conditions precedent (“**Conditions Precedent**”):

4.1.1 Conditions Precedent for Closing

(a) Processes under Applicable Law, Finalization of Documents

The Company and Promoter shall have carried out the following:

- (i) Completion of all the corporate and statutory processes for subscription of Shares by the Investor including the documentation, resolutions and approvals for preferential allotment on a private placement basis under the Act and related rules and regulations.
- (ii) The warranties having been true and correct on the date hereof and remaining true and correct on the Closing Date, in each case and in all respects.
- (iii) Delivery to the Investor, the bank account details (of the Company) into which the Subscription Share Consideration is to be wire transferred by the Investor.
- (iv) Finalization of final form of the amendment to the Shareholders’ Agreement, to the satisfaction of the Investor.
- (v) Delivery of latest audited consolidated and standalone financial statements and the unaudited financial statements for the financial year 2021-22 until quarter ending September, 2021 to the Investor.

(b) No restriction on allotment of Shares

The Promoter shall not veto or in any way object to or obstruct the allotment of Shares in the Company to the Investor.

(c) Statutory & Contractual Approval(s) for investment by the Investor

The Company and the Promoter shall obtain all requisite approvals, waivers and consents from any Person or Governmental Authority and such other approvals / licenses as may be

required for allotment of the Shares to the Investor, for carrying out other obligations under this Agreement.

(d) Amendment of Memorandum and Articles of Association

The Company shall finalize the necessary amendments to its Charter Documents to reflect the terms and conditions of this Agreement and the Shareholders' Agreement, as required.

(e) Resolutions

The Company and the Promoter shall finalize and get the necessary resolutions passed by the board of directors and/or the shareholders of the Company as required under the Applicable Law to enable the Investor to make its Investment as contemplated in this Agreement, along with all the requisite filings.

(f) Valuation Certificate

The Company shall obtain a certificate from a registered valuer, in accordance with Section 247 of the Act and the rules framed thereunder, justifying the valuation of the Company, on the basis of which price per Share has been set forth in Clause 2.1.

(g) Providing Business Plan

The Company and the Promoter shall provide the Initial Business Plan to the Investor.

- 4.2. **CP Completion:** The Promoter and the Company shall, immediately upon the satisfaction of the Conditions Precedent for Closing as set out in this Agreement, deliver to the Investor, a certificate, in the form set out in **Annexure 4** hereto (CP Confirmation Certificate), which shall enclose appropriate documentary evidence (to the extent available) to support the statements in the CP Completion Certificate, confirming that the respective Conditions Precedent have been satisfied.
- 4.3. **Closing:** The Company shall *inter-alia* issue the Shares free and clear of any Encumbrance, such that on and with effect from the Closing Date, the Investor shall become the sole legal and beneficial owner of the Shares issued at the Closing. The Company shall complete the actions set forth in **Annexure 5** on the Closing Date. Subject to the terms and conditions of this Agreement, the Closing shall take place on the Closing Date.
- 4.4. **Post-Closing Actions:** After the Closing, the Company and the Promoter shall undertake and complete all items as listed under **Annexure 6** hereto.

**ARTICLE V
CONFIDENTIALITY**

5.1 CONFIDENTIALITY

- (a) Each of the Parties shall, and shall ensure that its respective Affiliates, employees, directors, successors, assigns and representatives maintain utmost confidentiality, regarding the contents of this Agreement, Confidential Information pertaining to other Parties (including information about the Business, operations, management, affairs and activities of the Company), and business/management affairs of the Parties at all times,

except: (a) to the extent that such information is in the public domain other than by breach of this Agreement; (b) to the extent that any such information is later acquired by a Party from a source not known to be obligated to the Party hereto or its Affiliates, to keep such information confidential; (c) to the extent that any of such information was previously known or already in the lawful possession of a Party, prior to disclosure by the other Party hereto; (d) to the extent that any information is independently developed by a Party without reference to any information furnished by other Party hereto; and (e) in so far as it is disclosed to the employees, directors or professional advisers of any Party, provided that such Party shall procure that such persons treat such information as confidential. The Company shall ensure that all the directors are bound by confidentiality and non-disclosure obligations as set forth in this Clause.

- (b) Nothing contained herein shall affect the ability of the Parties to make disclosure to any Governmental Authority including any arbitration tribunal (including a sole arbitrator) in India or otherwise or to any other person under the provisions of any Applicable Law, provided, however, that in all such circumstances (other than in the case of audits or examinations by governmental authorities including, without limitation, by regulatory or self-regulatory bodies in the course of the Investor's business), the disclosing Party shall give prior notice to the other Parties before making the disclosure, indicating the nature of information that is proposed to be disclosed.
- (c) Further, none of the Parties shall make any announcements to the public or to any third party regarding the arrangement contemplated by this Agreement other than in accordance with this Clause, without the prior written consent of other Parties. However, the Parties shall be permitted to make announcements regarding the arrangements contemplated by this Agreement if such announcements are required to be made pursuant to and in compliance with Applicable Law or valid legal process.

ARTICLE VI DURATION AND TERMINATION

6.1 DURATION

This Agreement shall become effective on the Execution Date and shall be valid and binding until the date of termination of this Agreement in accordance with the provisions hereof (“Term”).

6.2 TERMINATION

This Agreement may be terminated:

- (a) By mutual agreement of the Promoter and the Investor in writing; or
- (b) If the Company is wound up by resolution of shareholders or an order of a court; or
- (c) By the Investor on non-completion of Conditions Precedent for the Closing (subject to waiver by the Investor); or
- (d) By the Investor, on occurrence of the Force Majeure Event or Material Adverse Effect.

6.3 Termination of this Agreement under Clause 6.2 above shall be without prejudice to any

accrued rights of the Parties. Further, the termination of this Agreement shall not relieve any Party of any obligation or liability accrued prior to the date of termination.

- 6.4 The provisions of Clause 3 (Representations and Warranties), Clause 5.1 (Confidentiality), Clause 7 (Arbitration), Clause 8 (Miscellaneous) and this Clause 6.4 shall survive the expiry/termination of this Agreement in terms hereof.

ARTICLE VII ARBITRATION

7.1 Mutual Resolution of Dispute:

If any dispute arises between the Parties in respect of the validity, interpretation, implementation or alleged breach of any provision of this Agreement or regarding a question, including the questions as to whether the termination of this Agreement by one party hereto has been legitimate (a “**Dispute**”), the disputing Parties shall attempt to first resolve such dispute or claim through discussions between senior executives or representatives of the Parties.

7.2 Arbitration:

Any Dispute which is not settled by the disputing Parties through negotiations, after the period of thirty (30) days from the service of a notice of Dispute, shall be referred to and finally resolved by arbitration in New Delhi in accordance with the (Indian) Arbitration and Conciliation Act, 1996 or any equivalent law for the time being in force. The Parties shall mutually appoint one arbitrator (the “**Arbitration Board**”). The language of the arbitration shall be English, and the seat of arbitration shall be at New Delhi.

7.3 Enforcement:

Judgment upon any arbitral award rendered hereunder may be entered in any court having jurisdiction, or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.

7.4 Costs and Nature of Award:

The arbitral award shall be substantiated in writing and the Arbitration Board shall also have the right to decide on the costs of arbitration proceedings. Any award made by the Arbitration Board shall be final and binding on each of the Parties that are parties to the Dispute.

7.5 Co-operation:

Each Party shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under this Agreement.

7.6 Continuing Obligation:

Subject to the award of the Arbitration Board, neither the existence of any Dispute nor the fact that any arbitration is pending hereunder shall relieve any of the Parties of their respective obligations under this Agreement. Subject to any award of the Arbitration Board, the pendency

of a Dispute in any arbitration proceeding shall not affect the performance of the obligations under this Agreement.

7.7 Jurisdiction:

Subject to dispute resolution clauses above, the courts at New Delhi, India shall have exclusive jurisdiction in respect of this Agreement.

ARTICLE VIII MISCELLANEOUS

8.1 NOTICE

Each notice, demand or other communication given or made under this Agreement shall be in writing and delivered or sent to the relevant Party at its address or fax number or email address set out below (or such other address or fax number or email address as the addressee has by five (5) days' prior written notice specified to the other Parties). Any notice, demand or other communication addressed to a Party shall be deemed to have been delivered (a) if delivered in person or by courier, when proof of delivery is obtained by the delivering Party; (b) if sent by post within the same country, on the seventh day following posting; (c) if given or made by fax or email, upon dispatch and the receipt of a transmission report confirming dispatch above; and (d) if sent by email, upon sending provided that no failure delivery notice is received by the sender.

The initial address and facsimile for the Parties for the purposes of this Agreement are:

If to COMPANY:

Tango IT Solutions India Private Limited,
1330, Thadagam Road, R S Puram, Coimbatore, Tamil Nadu – 641002.
Email: suren@tangotech.co.in

If to INVESTOR:

Lenskart Solutions Private Limited,
W-123, Greater Kailash, Part-2, New Delhi – 110048.
Email: peyushb@lenskart.com

If to PROMOTER:

Mr. Surender Gounder,
209/130 St. Mary's Road, Pooja Pura Apartment, Alwarpet, Chennai, Tamil Nadu, 600018.
Email: suren@tangotech.co.in

8.2 ENTIRE AGREEMENT

This Agreement, together with all Annexures and attachments hereto and the Shareholders' Agreement, represents the entire agreement and understanding among the Parties with respect to the subject matter of this Agreement and are to be read in conjunction. The Transaction Documents supersede any prior agreement or understanding, written or oral, that the Parties had agreed.

8.3 GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of India.

8.4 INDEPENDENT RELATIONSHIP

None of the provisions of this Agreement shall be deemed to constitute a partnership among the Parties hereto and no Party shall have any authority to bind or shall be deemed to be the agent of the others in any way.

8.5 FURTHER ASSURANCES

All the Parties undertake to co-operate in good faith following execution of this Agreement to ensure that they do such acts and things as may reasonably be necessary for the purpose of giving other Parties the full benefit of all the relevant provisions of this Agreement.

8.6 COSTS AND EXPENSES

The Company and the Investor shall bear their respective costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of the Transaction Documents and all other documents referred to in these which relate to the transactions contemplated under these documents. Further, any stamp duty payable in connection with the issuance of the Shares as contemplated by this Agreement and stamping of this Agreement and the other Transaction Documents shall be paid by the Company.

8.7 ASSIGNMENT

No right or obligation of the Company or the Promoter under this Agreement may be assigned or transferred without the prior written consent of the Investor.

8.8 AMENDMENTS

Any modification, amendment, or waiver of any provision of this Agreement shall be effective if and only if it is in writing and signed in person or by an authorised representative of each Party against whom enforcement of such modification, amendment or waiver is sought.

8.9 WAIVERS

No failure by a Party to take any action with respect to a breach of this Agreement or a default by any other Party(ies) shall constitute a waiver of the first Party's right to enforce any provision of this Agreement or to take action with respect to such breach or default or any subsequent breach or default. Waiver by any Party of any breach or failure to comply with any provision of this Agreement by a Party shall not be construed as, or constitute, a continuing waiver of such provision, or a waiver of any other breach or failure to comply with any other provision of this Agreement.

8.10 COUNTERPARTS

This Agreement may be executed in any number of counterparts, and by each Party on the same or different counterparts, but all of such counterparts shall together constitute one and the same instrument.

8.11 PARTIAL INVALIDITY




If any provision of this Agreement or the application thereof to any Person or circumstance shall be invalid or unenforceable to any extent for any reason including by reason of any law or regulation or government policy, the remainder of this Agreement and the application of such provision to Persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. Any invalid or unenforceable provision of this Agreement shall be replaced with a provision, which is valid and enforceable and most nearly reflects the original intent of the unenforceable provision.

8.12 NO THIRD-PARTY BENEFICIARIES

This Agreement is not intended to create any rights in any person or entity who is not a party to this agreement, and no such rights are created hereunder.

[Signature page follows]

IN WITNESS WHEREOF, all the Parties above named have set their hands (in the case of the Company, through their respective authorized officials) to this Agreement on the day, month and year first hereinabove written.

<p>For and on behalf of TANGO IT SOLUTIONS INDIA PRIVATE LIMITED (“Company”)</p>  <hr/> <p>Name: Mr. Surender Gounder Designation: CEO</p>	<p>MR. SURENDER GOUNDER (“Promoter”)</p>  <hr/> <p>Name: Mr. Surender Gounder</p>
<p>For and on behalf of LENSKART SOLUTIONS PRIVATE LIMITED (“Investor”)</p>  <hr/> <p>Name: Mr. Peyush Bansal Designation: Director</p>	

[Annexure 1 follows]

ANNEXURE 1

PRE AND POST SHAREHOLDING PATTERN OF THE COMPANY

Pre-investment cap table on fully diluted basis		
<i>Name of the shareholders</i>	<i>Equity shares</i>	<i>% of holding</i>
Promoter		
Surender Gounder	1,21,538	60.0%
Employee		
Keerthana B	2,000	1.0%
Existing Investors		
Pankaj Kapoor	3,460	1.7%
Siddharth Pisharody	2,500	1.2%
Nachiket M Parmar	2,000	1.0%
Rajagopal Swaminathan	2,946	1.5%
Lenskart Solutions Private Limited	36,834	18.2%
RiSo Capital Fund LLP	5,525	2.7%
Gaurav Gulati	12,890	6.4%
ESOP	12,892	6.4%
TOTAL	2,02,585.00	100%

Post-investment cap table on fully diluted basis (upon Closing)		
<i>Name of the Shareholders</i>	<i>Equity Shares</i>	<i>% of holding</i>
Promoter		
Surender Gounder	1,21,538	52.5%
Employee		
Keerthana B	2,000	0.9%
Existing Investors		
Pankaj Kapoor	3,460	1.5%

Siddharth Pisharody	2,500	1.1%
Nachiket M Parmar	2,000	0.9%
Rajagopal Swaminathan	2,946	1.3%
Lenskart Solutions Private Limited	65,753	28.4%
RiSo Capital Fund LLP	5,525	2.4%
Gaurav Gulati	12,890	5.6%
ESOP	12,892	5.6%
TOTAL	2,31,504.00	100%

[Annexure 2 follows]

ANNEXURE 2

UPDATED DISCLOSURE SCHEDULE

Date: December 10, 2021

FROM:

Mr. Surender Gounder,
209/130 St. Mary's Road, Pooja Pura Apartment,
Alwcarpret, Chennai, Tamil Nadu – 600018.

AND

Tango IT Solutions India Private Limited,
Cheran Illam, 1330, Thadagam Road, R S Puram,
Kovai 2, Coimbatore, Tamil Nadu – 641002.


TO:

Lenskart Solutions Private Limited,
W-123, Greater Kailash, Part-2,
New Delhi – 110048.

Ref: Share Subscription Agreement dated December 15, 2021 (the “Agreement”) by and among Tango IT Solutions India Private Limited (the “Company”), Mr. Surender Gounder (“Promoter”) and Lenskart Solutions Private Limited (“Investor”).

1. Reference is made to the captioned Agreement. This Updated Disclosure Schedule together with the schedules hereto, constitutes the Updated Disclosure Schedule referred to in Clause 1.1. of the Agreement and is being delivered to the Investor 1 (one) calendar day prior to the execution of the Agreement and forms an integral part of the Agreement.
2. The specific disclosures made in this Updated Disclosure Schedule shall only constitute exceptions to and shall be valid against only those representations and warranties given by the Company and Promoter that are indicated in the corresponding column of the table, set out below. Further, the disclosures made under this Updated Disclosure Schedule are in addition to the disclosures provided in the Disclosure Schedule provided as part of share subscription agreement dated October 5, 2020 executed by and among the same Parties.
3. Unless the context otherwise requires, capitalized terms used in this Updated Disclosure Schedule but not defined herein shall have the same meaning ascribed to such terms in the Agreement.
4. Any document referred to in this Updated Disclosure Schedule refers to such document as in effect on the date of this Updated Disclosure Schedule and references to any document shall be deemed to refer to both such document and any and all exhibits, schedules, annexes and other attachments to such document.

Sl. No.	Paragraph no.	Disclosure						
1.	3.2(u)	Account receivable balance as on December 3, 2021 is as provided in Schedule 1 attached herewith.						
2.	3.2(v)	Account payable balance as on December 3, 2021 is as provided in Schedule 2 attached herewith.						
3.	3.2(aa)	<table><thead><tr><th>Name of Party and Address</th><th>Rent</th><th>Tenure of lease</th></tr></thead><tbody><tr><td>Palaniappan M <i>Mezzanine</i>, <i>611, Kannamai Building</i>,</td><td>75,000 per month</td><td>11 Months from July 7, 2021.</td></tr></tbody></table>	Name of Party and Address	Rent	Tenure of lease	Palaniappan M <i>Mezzanine</i> , <i>611, Kannamai Building</i> ,	75,000 per month	11 Months from July 7, 2021.
Name of Party and Address	Rent	Tenure of lease						
Palaniappan M <i>Mezzanine</i> , <i>611, Kannamai Building</i> ,	75,000 per month	11 Months from July 7, 2021.						

		<i>Anna Salai, Chennai – 06, Tamil Nadu.</i>
4.	3.2(bb)	The complete list of fixed assets is set out in Schedule 3 below along with Gross Block and Net Block balances.
5.	3.2(zz)	Company holds credit card from SBM powered Karbon Card with the extent of 6 Lacs Auto Debit applicability. This card is used to make payment towards Amazon Web Services, Google Suite, Atlassian and some other online services.
6.	3.2(aaa)	The complete list of employees who are currently on the payroll of the Company or engaged as outsourced consultants is set out in Schedule 4 attached herewith.
7.	3.2(ccc)	<p>(a) Company has acquired the trademark under CLASS 42 in the name of “TangoEye”.</p> <p>(b) Trademark and logo under CLASS 9 for “TangoEye AI for an eye” is under review;</p>  <p>(c) Copyrights for the software “TANGOEYE” has been acquired by the Company with effect from November 10, 2020.</p>
8.	3.2(www)	The Company has issued employee stock options to the employees set out in Schedule 5 attached herewith in accordance with the ESOP Plan duly approved by the Board of the Company.

[Schedule 1 of Annexure 2 follows]

Schedule 1

Account Receivable Balance as on December 3, 2021

<i>Particulars</i>	<i>Amount</i>
Lenskart Solutions Private Limited	9,76,118.00
Sangeetha Mobiles Private Limited	51,666.00
GFM Retail Private Limited	10,800.00
Prime Furniture	9,440.00
FSN Brands Marketing Private Limited	83,072.00
Total	11,31,096.00

[Schedule 2 of Annexure 2 follows]

Schedule 2

Accounts Payable Balance as on December 3, 2021

<i>Particulars</i>	<i>Amount</i>
Amazon Internet Services Private Limited	5,89,282.25
Atlaz Business Solutions Private Limited	23,300.00
Bharti Airtel	14,507.33
Jaya Suriya Enterprises	10,964.00
Palaniappan M	94,400.00
Atria Convergence Technologies	8,258.82
Welcare Facility Management Services	9,676.00
Office Security	15,000.00
Kithiyon	2,000.00
Sridhar K.	11,800.00
Tazio Puri Negri	1,00,000.00
Total	8,79,188.40

[Schedule 3 of Annexure 2 follows]

Schedule 3

List of Fixed Assets

<i>Particulars</i>	<i>Gross Block (INR)</i>	<i>Net Block (INR)</i>
Computer and printer	12,00,354	3,27,802
Computer accessories	1,37,419	4,339
Desktop	63,558	2,007
Hard Disc	13,950	1,895
Interiors	6,32,530	3,68,741
Jetson developer kit	1,13,122	15,010
Laptop	8,27,276	6,47,596
Monitor	59,130	9,332
Grand Total	30,47,339	13,76,722

[Schedule 4 of Annexure 2 follows]

Schedule 4

Part A: Complete list of employees on the payroll of the Company

EMPLOYEE ID	EMPLOYEE NAME	TYPE OF ENGAGEMENT
TAN001	KEERTHANA BHASKAR	Employee Contract
TAN003	NARASIMMA VARMAN R	Employee Contract
TAN006	SUBHASHINI S	Employee Contract
TAN008	GURUSANKAR S	Employee Contract
TAN009	RAVICHANDRAN R	Employee Contract
TAN012	LOKESH KUMAR	Employee Contract
TAN015	NOEL ABHISHEK C	Employee Contract
TAN017	HARISH PAWAR	Employee Contract
TAN020	ATHIRA SHRI K	Employee Contract
TAN029	SHERIFF JUDES CHANDRABOSE	Employee Contract
TAN031	VAIRAMOORTHY	Employee Contract
TAN032	AJU STEPHEN B	Employee Contract
TAN041	GOWRI ARUMUGAM	Employee Contract
TAN044	SHRUTI N	Employee Contract
TAN045	RASHMI BERIA	Employee Contract
TAN046	JASWANTH S	Employee Contract
TAN053	RAJESH KUMAR	Employee Contract
TAN054	PRAVEEN RAJ	Employee Contract
TAN065	HARISH CHARAVATHY	Employee Contract
TAN068	REBEKAH MARK	Employee Contract
TAN069	KALI KOUSIK	Employee Contract
TAN061	PUSHPA PRIYA	Employee Contract
TAN060	KARTHICK KANNAN	Employee Contract
TAN070	PARSHVI H	Employee Contract
TAN025	SHIBIN RAJAMANI	Employee Contract
TAN062	SANRELON A	Employee Contract
TAN063	NIZAMUDEEN	Employee Contract
TAN064	SHANJAY	Employee Contract
TAN071	SORNANITHYA	Employee Contract
TAN023	KAMALA R	Employee Contract
TAN034	SANDEEP E	Employee Contract
TAN038	PUSHPA SHARMILA S	Employee Contract
TAN058	MAHESHWARI	Employee Contract
TAN059	GOMATHI	Employee Contract
TAN060	PAVITHRA G	Employee Contract
TAN061	SUSHMITHA	Employee Contract

Part B: Complete list of persons working with the Company on consulting contracts

NAME	NAME	TYPE OF ENGAGEMENT
WEB DEVELOPER CONSULTANT	VIGNESHWARAN AC	CONSULTANT AGREEMENT

OUTSOURCED		
WEB DEVELOPER CONSULTANT OUTSOURCED	VIGNESH C	CONSULTANT AGREEMENT
WEB DEVELOPER CONSULTANT OUTSOURCED	RUBY THOBITH ABRAHAM	CONSULTANT AGREEMENT
LABOUR LAWS CONSULTANT OUTSOURCED	KITHIYON P	CONSULTANT AGREEMENT
WEB DEVELOPER CONSULTANT OUTSOURCED	AJWAN AROUJE	CONSULTANT AGREEMENT
WEB DEVELOPER CONSULTANT OUTSOURCED	MURALI C.	CONSULTANT AGREEMENT
WEB DEVELOPER CONSULTANT OUTSOURCED	AKHILAN ARASU	CONSULTANT AGREEMENT
COMPANY SECRETARIAL RETAINER	SRIDHAR K	CONSULTANT AGREEMENT
SALES CONSULTANT - EU	TAZIO PURI NEGRI	CONSULTANT AGREEMENT

[Schedule 5 of Annexure 2 follows]

Schedule 5

Disclosure relating to employee stock option plan

<i>Employee Name</i>	<i>Date of Joining</i>	<i>Designation</i>	<i>No. of options granted</i>	<i>Date of issue of grants</i>
Rashmi Beria	01-05-2021	CBDO	1,105	August 23, 2021
Arindam Chakrabarti	12-07-2021	CTO	1,841	August 23, 2021
Karthik Kannan	20-08-2021	Business Development Executive	552	August 23, 2021
Lokesh Kumar	18-09-2019	Product Manager	552	August 23, 2021

[Annexure 3 follows]

ANNEXURE 3

**FINANCIAL STATEMENT FOR YEAR 2021-22
TANGO IT SOLUTIONS INDIA PRIVATE LIMITED**

CIN: U72200TZ2017PTC029089

Provisional Balance Sheet as at 31st October 2021

**(Amount in
Rs.)**

Particulars		Note No.	31-10-2021	31-03-2021
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital	1	18,96,930	16,48,310
	(b) Reserves and Surplus	2	79,73,492	99,52,321
	(c) Money received against share warrants			
	Share Application Money Pending Allotment		-	-
2				
3	Non-current liabilities			
	(a) Long-Term Borrowings		-	-
	(b) Deferred Tax Liabilities (Net)		-	20,049
	(c) Other Long Term Liabilities		-	-
	(d) Long-Term Provisions		-	-
4	Current liabilities			
	(a) Short-Term Borrowings		-	-
	(b) Trade Payables	3	9,73,196	3,34,646
	(c) Other Current Liabilities	4	3,76,671	1,77,994
	(d) Short-Term Provisions	5	17,92,944	9,88,968
	TOTAL		1,30,13,233	1,31,22,288
II	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment			

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED

CIN: U72200TZ2017PTC029089

Provisional Statement of Profit and Loss for the period ended 31st Oct 2021

(Amount in
Rs.)

Particulars		Note No.	31-10-2021	31-03-2021
I	Revenue from operations	12	17,17,894	37,59,400
II	Other Income	13	55,152	1,66,105
III	Total Revenue (I + II)		17,73,046	39,25,505
IV	Expenses:			
	Cost of materials consumed		-	18,00,000
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
	Employee benefits expense	14	1,00,29,407	89,28,382
	Finance costs		-	21,370
	Depreciation and amortization expense	6&7	14,56,907	21,89,011
	Other expenses	15	55,17,007	59,16,532
	Total expenses		1,70,03,321	1,88,55,295
V	Profit before exceptional and extraordinary items and tax (III - IV)		(1,52,30,275)	(1,49,29,790)
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		(1,52,30,275)	(1,49,29,790)
VIII	Extraordinary Items		-	
IX	Profit before tax (VII - VIII)		(1,52,30,275)	(1,49,29,790)
	(1) Current Tax		-	

	(2) MAT Credit Entitlement	-	
	(3) Net Current Tax	-	
	(4) Deferred Tax	-	20,049
X	Profit (Loss) for the period (V - VI)	(1,52,30,275)	(1,49,49,839)

[Annexure 4 follows]

ANNEXURE 4

CP COMPLETION CERTIFICATE

**To,
Lenskart Solutions Private Limited,
New Delhi.**

Attention: Peyush Bansal

Dear Sir / Madam,

Subject: CP Fulfilment Notice under the Share Subscription Agreement dated **[insert]**

1. We refer to the Share Subscription Agreement dated **[insert]** (SSA) executed amongst Surender Gounder, Tango IT Solutions India Private Limited and Lenskart Solutions Private Limited.
2. Unless the context otherwise requires, capitalized terms used but not defined herein shall have the meanings ascribed to them in the SSA.
3. In accordance with the provisions of the SSA, the Promoter and the Company hereby certify that all the respective Conditions Precedent specified under the SSA have been duly satisfied as on the date hereof. True copies of all the relevant supporting documents are attached herewith for your reference.

[Annexure 5 follows]

ANNEXURE 5

CLOSING ACTIONS

1. The Promoter and the Company shall ensure the following on the Closing Date:

- (a) convene a meeting of its board, at which meeting, the board shall pass appropriate resolutions:
 - (i) allotment of 28,919 Shares issued at Closing upon payment of Subscription Share Consideration;
 - (ii) authorizing an officer of the Company to make appropriate filings with the statutory authorities in relation to the issuance and allotment of 28,919 Shares;
 - (iii) directing the name of the Investor to be entered in the Register of Members of the Company as the registered holder of their respective Shares and a copy of the resolution shall be provided to the Investor certified to be a true copy by a director or the secretary of the Company;
 - (iv) executing the amendment to the Shareholders' Agreement and adopting the restated Charter Documents, if required; and
 - (v) causing a Shareholders Meeting (at short notice) to be immediately convened for the purposes of approving and adopting the restated Charter Documents in accordance with the terms of the Shareholders' Agreement.
- (b) If required, convene a Shareholders Meeting of the Company where the members of the Company shall pass resolutions approving and adopting the restated Charter Documents.
- (c) Provide shareholders' resolutions passed by the shareholders as required under the Applicable Law (including under sections 42 and 62 of the Act) for the issuance and allotment of the Shares.
- (d) Provide an offer letter and a record of private placement offers in Form PAS-5, as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (e) Provide e-Form MGT-14 as filed with the jurisdictional Registrar of Companies in respect of issuance of the Shares.
- (f) Provide a valuation certificate prescribing the subscription price per Shares as required under Applicable Law.
- (g) Deliver a copy of the aforesaid resolutions (as stated in paras b, c, d and e) to the Investor, certified to be a true copy by a director or the secretary of the Company.

[Annexure 6 follows]

ANNEXURE 6

POST CLOSING ACTIONS

1. **The Promoter and the Company shall ensure that within 10 (ten) days of the Closing Date (as may be applicable to each of the Closing):**
 - (a) the following forms shall be filed:
 - (i) MGT-14 of the Companies (Management and Administration) Rules, 2014 with respect to the special resolution passed by the shareholders of the Company adopting the Restated Articles of the Company, if any; and
 - (ii) PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with respect to the Shares issued and allotted to the Investor;
 - (b) deliver certified true copy of the forms filed in terms of (a) above; and
 - (c) deliver signed, stamped original share certificates representing issue of Shares to the Investors.
2. Apply for and obtain registration of IPR within 60 days from the date of Closing, on a best effort basis, under Patents Act 1970 and Trademarks Act 1999 in India and any registration of IPR outside India may be mutually discussed between the Parties. For the avoidance of doubt, it is clarified that the Company and the Promoter shall be obligated to obtain the registration of IPR of the Company under the forgoing regulations pursuant to the terms of this Agreement, in accordance with the applicable regulatory requirements.

[Annexure 7 follows]

ANNEXURE 7

PART A: INITIAL BUSINESS PLAN

Tango Technologies Private Limited
Income Statement

Currency (Rs.)	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Total
Gross revenue	6,45,354	7,33,152	8,46,633	9,66,972	11,79,036	16,64,942	20,75,025	24,66,844	28,35,205	32,19,440	36,65,404	41,00,411	2,43,98,418
(-) Discounts													
Net revenue	6,45,354	7,33,152	8,46,633	9,66,972	11,79,036	16,64,942	20,75,025	24,66,844	28,35,205	32,19,440	36,65,404	41,00,411	2,43,98,418
Direct Expenses													
Cloud Computing	3,79,969	3,83,769	3,87,607	8,18,983	11,27,172	13,63,444	13,77,079	13,90,849	14,04,758	14,18,805	14,32,994	14,47,323	1,29,32,752
Salary(Direct)	5,53,500	6,06,000	7,17,000	8,77,500	8,98,500	8,98,500	8,98,500	8,98,500	10,78,500	10,78,500	10,78,500	10,78,500	1,06,62,000
Gross Profit	(2,88,115)	(2,56,617)	(2,57,974)	(7,29,511)	(8,46,636)	(5,97,002)	(2,00,554)	1,77,495	3,51,947	7,22,135	11,53,910	15,74,588	8,03,666
Operating Expenses													
Salary(Indirect)	31,36,500	34,34,000	40,63,000	49,72,500	50,91,500	50,91,500	50,91,500	50,91,500	61,11,500	61,11,500	61,11,500	61,11,500	6,04,18,000
Rent & Admin	2,02,100	2,02,100	2,02,100	2,02,100	2,42,520	2,42,520	6,97,500	6,97,500	6,97,500	6,97,500	6,97,500	6,97,500	54,78,440
Business Development expenses	1,23,000	1,17,429	1,38,000	2,53,500	4,63,860	5,16,960	7,38,210	6,76,260	6,95,730	7,61,220	8,81,220	8,87,620	62,53,009
Other G&A cost	7,21,600	6,96,600	7,26,600	7,22,600	9,59,220	8,94,220	8,94,220	8,94,220	8,94,220	8,95,220	9,64,220	9,02,220	1,01,65,160
Total Operating expenses	41,83,200	44,50,129	51,29,700	61,50,700	67,57,100	67,45,200	74,21,430	73,59,460	83,98,950	84,65,440	86,54,440	85,98,840	8,23,14,609
EBITDA	(44,71,315)	(47,06,745)	(53,87,674)	(68,80,211)	(76,03,736)	(73,42,202)	(76,21,984)	(71,81,965)	(80,47,003)	(77,43,305)	(75,00,530)	(70,24,252)	(8,15,10,943)
Depreciation & Amortisation	-	-	-	38,18,412.33	-	-	-	-	-	-	-	-	38,18,412.33
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax expense @35%													
Net income	(44,71,315)	(47,06,745)	(53,87,674)	(68,80,211)	(76,03,736)	(73,42,202)	(76,21,984)	(71,81,965)	(80,47,003)	(77,43,305)	(75,00,530)	(70,24,252)	(8,15,10,943)

PART B: PRODUCT MILESTONE – FY 22 (Q3 & Q4) & FY 23 (Q1, Q2 & Q4)

Features	Description	Status
Report / Data Timing - R1	Currently the data comes to LK by 2 PM on next day. The 1st Goal is to have data coming 11 AM	Q3 FY 22
Meta Tagging the section	User shall be able to tag and find out how many walk-ins happened in particular section – Dwell Time based on sections	Q4 FY 22
Employee Conversion	We shall be able to identify, compare the store level conversion on that day with respect to the employee present	Q4 FY 22
Report / Data Timing - R2	Currently the data comes to LK by 2 PM on next day. The 1st Goal is to have data coming 9 AM .	Q4 FY 22
Store Coverage	800 Stores by Dec End.	Q4 FY 22
Tango Pannel for Lenskart	Share TangoEye Panel for LK stores	Q4 FY 22
Infrastructure Downtime alert	TE integrated real-time auto alert as and when there is a drop at the store level and Staffs/Managers can acknowledge the same	Q1 FY 23
Footfall count Accompanied with Kids	LKST specific requirement where TE should be able to identify the group count based on kids' category	Q1 FY 23
Heatmap API	TE shall provide customer concentration and sentiment heatmap API so LKST can consume and visualise in their internal BI tool	Q1 FY 23
Report API	TE shall provide Report API so LKST can consume and visualise in their internal BI tool	Q1 FY 23
Report Timing	Data Gets refreshed full day 7 AM . Data gets refreshed 3-4 times with the same day.	Q1 FY 23
Gender of the accompanying Family members	Group count segregated by gender	Q2 FY 23
Image Timeline View	The dashboard will have the option to view the image corresponding to the count present in the dashboard – For Quantitative data	Q2 FY 23
SLA Management	Developing and implementing the escalation matrix around the software for all the queries reported through the app/ through email/calls	Q2 FY 23
Market/ Industry Insights	Provide anonymized market level insights around footfall traffic	Q4 FY 23

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J GANESH & CO
CHARTERED ACCOUNTANTS

27 Kamaraj Colony, 3rd St, Kodambakkam, Chennai - 600 024. Phone : 044 - 2483 3061
Website : www.caganesh.in Email : caganeshauditor@gmail.com, jganeshandco@gmail.com Mobile : 98432 13061 / 97863 27597

Cert No. 03/2021

VALUATION REPORT

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED

EQUITY SHARE VALUATION CERTIFICATE

Index

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Background:

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED was incorporated on 21ST June 2017. The registered office of the Company is situated at Cheran Illam, 1330, Thadagam Road, R S Puram, Coimbatore, Tamilnadu - 641002.

Tango IT Solutions India Private Limited engaged in the business of software solutions for retail analytics, under the brand name "Tango Eye". The Board of Directors comprises of Surender Gounder, Swaminathan Rajagopal and Amit Chaudhary. Tango IT Solutions India Private Ltd is a consortium specialization in Data Automation, Data analytics, Business Intelligence, Artificial Intelligence.

Our enterprise Data Platform will monitor, analyze, predict and notify the financial transaction exceptions. With our AI Technologies we assist financial institutions, Stocks, Clearing houses and investing in business that seek to address a global problem.

Business Plan:

TANGO IT SOLUTIONS INDIA PRIVATE LIMITED is a Software company with zero hardware investments from the client side. Also the solution is a plug and play and requires zero intervention or investment in time from the client to provide the services. The client just shares an access to his infrastructure and the rest is taken care of by Tango. Due to their deployment being remote and no to very little on location physical support needed, they will be easily scalable to geographies across the globe.

Their future plans include addition of new product lines (mentioned below) that have a wider scope and applicability to more industries like hospitality, cloud kitchens etc. Hence they would be able to scale more rapidly.

Tango Eye is providing software solutions for retail analytics. It has a plan to diversify its business into three eyes' in the coming years:

1. Secure Eye:

Tango Eye, a retail video analytics provider, partnering with retailers to deliver Secure Eye. A tool that integrates with existing CCTV cameras to implement a series of safety features, making environments safe, complete with real-time alerts, dashboard reporting and traceability.

2. Manager Eye:

Tango Eye is a computer vision company that uses AI and ML to convert video data into actionable insights for improved efficiency and compliance of SOP at client premises. Our software integrates with existing CCTV cameras & converts video footage into actionable intelligence for informed business decisions and improved customer satisfaction.

3. Retail Eye:



Tango Eye is a computer vision company that uses AI and ML to convert video data into actionable insights for improved efficiency, increased sales and security at retail store fronts. Our software integrates with existing CCTV cameras & converts video footage into actionable intelligence for informed business decisions.

As the above technologies are unique in nature, the company believes, it can market the same to its potential customers and increase in usage of AI can convince the customers to install the same in their premises. The investment is to increase its market to international level like Europe, South East Asia, US and Gulf.

The projections are made by the client after taking consideration of various market factors, finance, Competitors etc. Hence there is a multifold increase in their revenue structure.

Purpose of Valuation:

The Company intends to issue shares to certain investors for raising capital for its business operations. In this regard, the Company has appointed Mr. Ganesh J Chartered Accountant to provide a report on the fair valuation of the Equity Shares of the Company, as required under Section 62(1)(c) of the Companies Act, 2013.

Identity of the Chartered Accountant:

Name: Ganesh J

Qualification: Fellow Chartered Accountant, Registered Valuer (Securities and Financial Assets)

Membership Number: 230333

Disclosure of Interest:

I hereby declare that, I have not having interest in whatsoever manner to the concern for which the report is being prepared. I have not hold any shares of the company. I have not involved in Management of the company through direct or indirect manner. I have not been appointed as statutory auditor for the concern.

Date of Appointment/ Valuation Date and Date of Report:

Date of Appointment: 10/11/2021

Valuation Date: 31/10/2021

Date of Report: 25/11/2021



Sources of Information:

Audited Financials as on 31/03/2021

Provisional Financials for 31/03/2022 and Projected Revenues certified by the management.

Procedures adopted in Valuation:

The Valuation Report prepared in line with the International Valuation Standards issued by the International Valuation Council. The valuation report is given under the powers given by the The Companies (Registered Valuers and Valuation) Rules, 2017 issued under The Companies Act, 2013. The above rules and standards prescribe to consider all the methods and adopt the most appropriate method to Value the underlying asset. On Detailed consideration and evaluation, I came to a conclusion that, adopting Discounted Cash Flow Method will be the Most appropriate method by following the Income Approach.

Valuation Methodology

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay substantial goodwill. This exercise may be carried out using methodologies, the relative emphasis of each varying with:

- Industry to which the entity belongs
- Past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated
- Extent to which industry and comparable company information are available.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These can be broadly categorised as follows:

Market Approach:

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

The following are some of the instances where a valuer applies the market approach:

- a) Where the asset to be valued or a comparable or identical asset is traded in the active market;
- b) There is a recent, orderly transaction in the asset to be valued; or



- c) There are recent comparable orderly transactions in identical or comparable asset(s) and information for the same is available and reliable.

In some instances, a valuer may consider using other valuation approaches instead of Market approach or in combination with Market approach, such as:

- a) Where the asset has fewer identical or comparable assets (market comparable);
- b) The asset to be valued or its market comparables are not traded in the active market;
- c) Sufficient information on the comparable transaction(s) is not available;
- d) There is no recent transaction either in the asset or in the market comparables; or
- e) There are material differences between the asset to be valued and the market comparables, which require significant adjustments.

The following valuation methods are commonly used under the market approach:

- a) Market Price Method
- b) Comparable Companies Multiple (CCM) Method and
- c) Comparable Transaction Multiple (CTM) Method

Market Price Method

- a) A valuer shall consider the traded price observed over a reasonable period while valuing assets which are traded in the active market.
- b) A valuer shall also consider the market where the trading volume of asset is the highest when such asset is traded in more than one active market.
- c) A valuer shall use average price of the asset over a reasonable period. The valuer should consider using weighted average or volume weighted average to reduce the impact of volatility or any one time event in the asset.

Comparable Companies Multiple (CCM) Method

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparables traded on active market.

The following are the major steps in deriving a value using the CCM method:

- a) identify the market comparables;
- b) select and calculate the market multiples of the identified market comparables;
- c) compare the asset to be valued with the market comparables to understand material differences; and make necessary adjustments to the market multiple to account for such differences, if any;



- d) apply the adjusted market multiple to the relevant parameter of the asset to be valued to arrive at the value of such asset; and
- e) if value of the asset is derived by using market multiples based on different metrics/parameters, the valuer shall consider the reasonableness of the range of values.

Comparable Transaction Multiple (CTM) Method

Comparable Transaction Multiple Method, also known as 'Guideline Transaction Method' involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparables (comparable transactions).

The price paid in comparable transactions generally include control premium, except where transaction involves acquisition of non controlling/minority stake. 31. The following are the major steps in deriving a value using the CTM method:

- a) identify comparable transaction appropriate to the asset to be valued;
- b) select and calculate the transaction multiples from the identified comparable transaction;
- c) compare the asset to be valued with the market comparables and make necessary adjustments to the transaction multiple to account where differences, if any existed;
- d) apply the adjusted transaction multiple to the relevant parameter of the asset to be valued to arrive at the value of such asset; and
- e) if valuation of the asset is derived by using transaction multiples based on different metrics or parameters, the valuer shall consider the reasonableness of the range of values and exercise judgment in determining a final value.

Discounts and Control Premium

A valuer shall evaluate and make adjustments for differences between the asset to be valued and market comparables/comparable transactions. The most common adjustment under CCM method and CTM method pertain to 'Discounts' and 'Control Premium'.

'Discounts' include Discount for Lack of Marketability (DLOM) and Discount for Lack of Control (DLOC).

Income Approach

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value.

The following are some of the instances where a valuer may apply the income approach:



- a) where the asset does not have any market comparable or comparable transaction;
- b) where the asset has fewer relevant market comparables; or
- c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected.

Discounted Cash Flow ('DCF') Method

The DCF method values the asset by discounting the cash flows expected to be generated by the asset for the explicit forecast period and also the perpetuity value (or terminal value) in case of assets with indefinite life.

The DCF method is one of the most common methods for valuing various assets such as shares, businesses, real estate projects, debt instruments, etc.

This method involves discounting of future cash flows expected to be generated by an asset over its life using an appropriate discount rate to arrive at the present value.

The following are the major steps in deriving a value using the DCF method:

- a) Consider the projections to determine the future cash flows expected to be generated by the asset;
- b) analyse the projections and its underlying assumptions to assess the reasonableness of the cash flows;
- c) choose the most appropriate type of cash flows for the asset viz., pre-tax or post-tax cash flows, free cash flows to equity or free cash flows to firm;
- d) determine the discount rate and growth rate beyond explicit forecast period; and
- e) apply the discount rate to arrive at the present value of the explicit period cash flows and for arriving at the terminal value.

Relief from Royalty (RFR) Method

RFR Method is a method in which the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. It is generally adopted for valuing intangible assets that are subject to licensing, such as trademarks, patents, brands, etc.

The fundamental assumption underlying this method is that if the intangible asset to be valued had to be licensed from a third-party owner there shall be a royalty charge for use of such asset. By owning the said intangible asset, royalty outgo is avoided. The value under this method is equal



to the present value of the licence fees / royalty avoided by owning the asset over its remaining useful life.

Multi-Period Excess Earnings Method (MEEM)

MEEM is generally used for valuing intangible asset that is leading or the most significant intangible asset out of group of intangible assets being valued.

The fundamental concept underlying this method is to segregate the earnings attributable to the intangible asset being valued. Intangible assets which have a finite life can only be used to value using MEEM. The value under this method is equal to the present value of the incremental after-tax cash flows ('excess earnings') attributable to the intangible asset to be valued over its remaining useful life.

Cost Approach

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

In certain situations, historical cost of the asset may be considered by the valuer where it has been prescribed by the applicable regulations/law/guidelines or is appropriate considering the nature of the asset. Examples of situations where a valuer applies the cost approach are:

- a) an asset can be quickly recreated with substantially the same utility as the asset to be valued;
- b) in case where liquidation value is to be determined; or
- c) income approach and/or market approach cannot be used.

Replacement Cost Method

Replacement Cost Method, also known as 'Depreciated Replacement Cost Method' involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.

The physical properties of the new asset may or may not be similar to the one under valuation, but the former asset should bear comparable utility. Obsolescence includes physical deterioration, functional (technological) and economic obsolescence. The term obsolescence connotes a wider meaning than the term depreciation adopted for financial reporting or tax purposes.

The following are the major steps in deriving a value using the Replacement Cost method:

- a) estimate the costs that will be incurred by a market participant for creating an asset with comparable utility as that of the asset to be valued;
- b) assess whether there is any loss on account of physical, functional or economic obsolescence in the asset to be valued; and



- c) adjust the obsolescence value, if any as determined under (b) above from the total costs estimated under (a) above, to arrive at the value of the asset to be valued.

Reproduction Cost Method

Reproduction Cost Method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence. The following are the major steps in deriving a value using the Reproduction Cost method:

- a) estimate the costs that will be incurred by a market participant for creating a replica of the asset to be valued;
- b) assess whether there is any loss of value on account of physical, functional or economic obsolescence in the asset to be valued; and
- c) adjust the obsolescence value, if any as determined under (b) above from the total costs estimated under (a) above, to arrive at the value of the asset to be valued.

Method Adopted:

Keeping in mind the context and purpose of the report, we have adopted the **DCF method** as it captures the growth potential of the business going forward. We have adopted this method to calculate the fair value of the shares of the company based on the financial projections prepared by the management of the company.

Calculations:

Particulars	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26
Net Profit after Tax	-2,55,88,161	-4,01,32,933	5,88,53,690	69,40,36,802	1,70,88,64,362
Add: Depreciation & Amortization	38,91,603	52,86,952	1,28,88,319	3,67,44,668	11,16,16,108
Cash Operating Profit	-2,16,96,557	-3,48,45,981	7,17,42,010	73,07,81,470	1,82,04,80,470
Adjustments for :					
Less: Change in Non-cash Working Capital	15,94,279	-3,65,92,535	-28,25,94,664	-60,53,92,440	-96,17,39,807
Less: Capital Expenditure - As per FAR	-1,05,08,829	-1,01,70,670	-3,94,93,107	-12,02,41,887	-37,36,66,151
Add: Change in Net Borrowings	-	-	-	-	-
Net Free Cash Flows to Equity Share holders	-3,06,11,108	-8,16,09,187	-25,03,45,761	51,47,143	48,50,74,512
Discount factor @ 30.80%	0.76	0.58	0.45	0.34	0.26
Present value	-2,34,03,314	-4,77,01,898	-11,18,75,544	17,58,569	12,67,06,819
NPV of Explicit Period					-5,45,15,368



Cost Of Equity as per CAPM :

Cost of Equity (Ke)	Ke	Rf+[Rm-Rf]*b
Risk free rate of return (Rf)	10 year India Government Bond - March 20, 2021	6.36%
Market Return	S&P BSE 200 returns for last 8 years	17.77%
Beta (b)	Beta - Software (System & Application)	1.09
Cost Of Equity as per CAPM		18.798178%
Cost Of Equity as per CAPM		18.80%
Adjusted for Risk	Company Specific Risk Premium (CSRP) - 1.5% represented for 1 year of projection - upto 5 year of projection	10.00%
Adjusted for Risk	Small Company Risk Premium (SCRIP)	2.00%
	Cost Of Equity as per CAPM	30.80%

Discount Tables	
Discounting Rate	30.80%
Year	Discount factor
Year 1	0.76
Year 2	0.58
Year 3	0.45
Year 4	0.34
Year 5	0.26
Growth Rate	2.50%

Terminal value	
Free Cash Flow to Equity Shareholders for last year	48,50,74,512
Continuity Value (1+g)	49,72,01,375
Capitalisation factor for Continuity Value	28.30%
Continuity value	1,75,70,08,453
Discount factor	0.26
Present Value of Terminal Value	45,89,50,009
NPV of Explicit Period	-5,45,15,368
NPV of Terminal Value	45,89,50,009
Cash and Bank Balances	54,38,198
Value per share (before DLOM)	40,98,72,839
Discount for Liquidity & Marketability (DLOM) @ 20%	20%
Net Equity Value (Pre Money Valuation)	32,78,98,271
No of Shares	1,89,693
Value per share	1,728.58
Value per share (Rounded off)	1,729.00

Limitations and Disclaimer:

Discounted cash flow method involves the estimation of cash flows for future period. Based on the experience, capacity and orders in hand, the company have estimated the projected Turnover. However, actuals may change according to the political, economic and industrial risks.



Conclusion:

The Value of the equity shares of the company is valued at Rs. 32,78,98,271 /-. The total number of equity shares outstanding as on 31/10/2021 was 1,89,693 Shares.

Based on this, the Fair Price per Equity Share is estimated at **Rs. 1,729.00/-**

For J GANESH AND CO.

CHARTERED ACCOUNTANTS

FRN 014436S



CA. GANESH J
M.No. 230333

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Date: 25.11.2021

UDIN: 21230333AAAAARQ2407