



తెలంగాణ తెలంగాణ TELANGANA

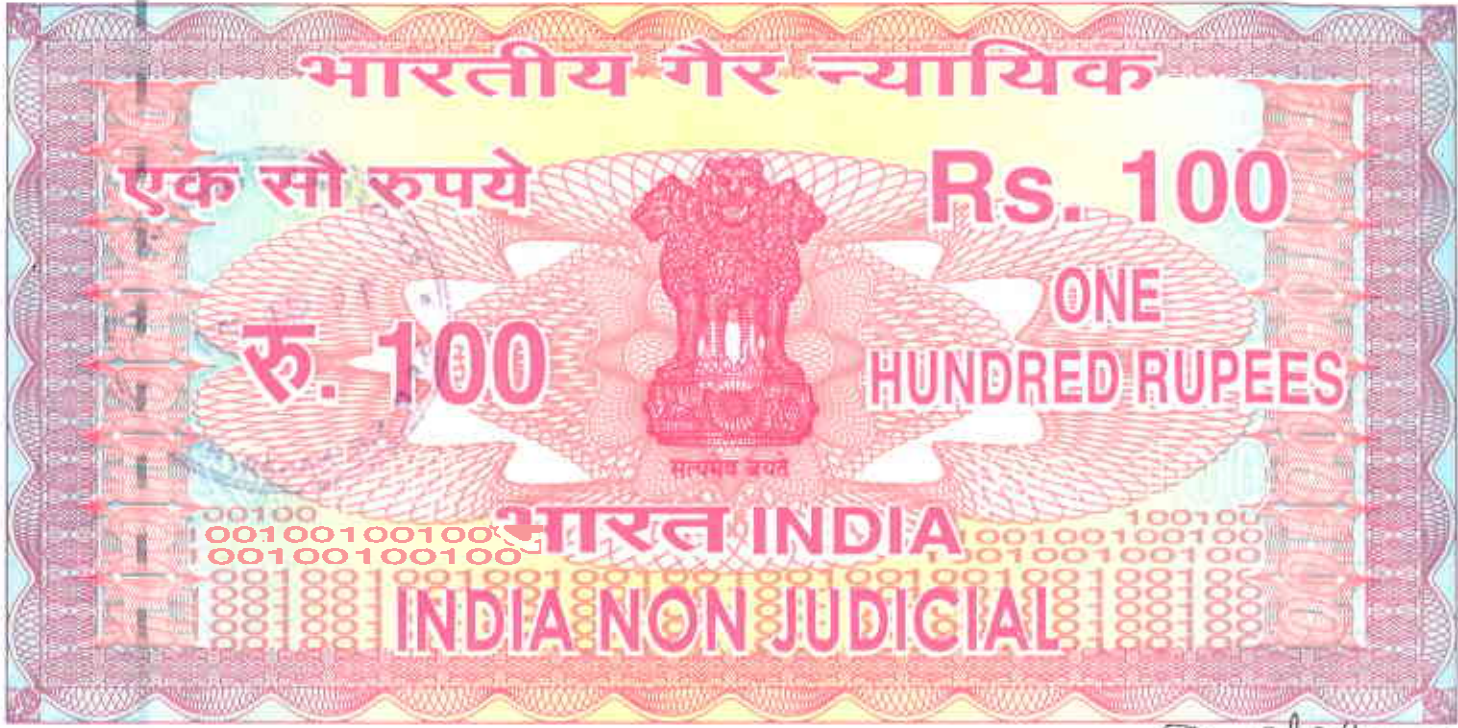
D. Chittemma  
AT 274434

SL. NO. 12525 DATE: 01-10-2022  
SOLD TO: FUL KUMAR GAUTAM  
S/O. LATE. CHATRAPATI SINGH R/O. HYDERABAD, T.S.  
FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEEMA  
LICENSED STAMP VENDOR  
L.No. 16-11-020/2015  
RL.No. 16-11-022/2021  
H.No. 7-1-307/15/EF4, Subhash Nagar,  
Sanathnagar, Hyd-18 (South)  
Ph: 9052648457

THIS STAMP PAPER FORMS INTEGRAL PART OF SHARE SUBSCRIPTION AGREEMENT DATED 11<sup>TH</sup> DAY OF OCTOBER 2022.





తెలంగాణ తెలంగాణ TELANGANA

D. Chittemma  
AT 274465

SL. NO. 12556 DATE: 01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEMA

LICENSED STAMP VENDOR

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*Chittemma*

*Chittemma*





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D. Chittemma  
AT 274464

SL. NO. 12555 DATE : 01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

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తెలంగాణ తేలంగానా TELANGANA

D. Chittemma  
AT 274457

SL. NO: 12548 DATE: 01-10-2022  
SOLD TO: RAKESH CHOPDAR  
S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.  
FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEEMA  
LICENSED STAMP VENDOR  
L.No. 16-11-020/2015  
RL.No. 16-11-022/2021  
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Sanathnagar, Hyd-18 (South)  
Ph: 9052646457

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*Chittemma*



తెలంగాణ తేలంగానా TELANGANA

SL. NO. 12549 DATE :01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

*D. Chittemma*  
AT 274458

D. CHITTEEMA

LICENSED STAMP VENDOR

L.No. 16-11-020/2015

RL.No. 16-11-022/2021

H.No. 7-1-307/19/EF4, Subhash Nagar,

Sanathnagar, Hyd-18 (South)

Ph: 9052648457

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D. Chittemma  
AT 274459

SL. NO. 12550 DATE :01-10-2022  
SOLD TO: RAKESH CHOPDAR  
S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.  
FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEEMMA  
LICENSED STAMP VENDOR  
L.No. 16-11-020/2015  
RL.No. 16-11-022/2021  
H.No. 7-1-307/15/EF4, Subhash Nagar  
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D. Chittemma  
AT 274460

SL. NO. 12551 DATE: 01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEEMA

LICENSED STAMP VENDOR

L.No. 16-11-020/2015

RL.No. 16-11-022/2021

H.No. 7-1-307/15/EF4, Subhash Nagar,

Sanathnagar, Hyd-18 (South)

Ph: 9052646457

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D. Chittemma  
AT 274461

SL. NO. 12552 DATE: 01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEMA  
LICENSED STAMP VENDOR  
L.No. 16-11-020/2015  
RL.No. 16-11-022/2021  
H.No. 7-1-307/15/EF4, Subhash Nagar  
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Ph: 8062646457

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తెలంగాణ తేలంగానా TELANGANA

D. Chittemma  
AT 274462

SL. NO. 12553 DATE: 01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEMA  
LICENSED STAMP VENDOR  
L.No. 16-11-020/2015  
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D - Chittemma  
AT 274463

SL. NO. 12554 DATE : 01-10-2022

SOLD TO: RAKESH CHOPDAR

S/O. LATE. BAJARANG LAL CHOPDAR R/O. HYDERABAD, T.S.

FOR WHOM: M/S. AZAD ENGINEERING PVT LTD

D. CHITTEEMA

LICENSED STAMP VENDOR

L.No. 16-11-020/2015

RL.No. 16-11-022/2021

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## SHARE SUBSCRIPTION AGREEMENT

This share subscription agreement (hereinafter referred to as the "**Agreement**") is made at Hyderabad, India on this 11<sup>th</sup> day of October 2022 (hereinafter referred to as the "**Execution Date**") by and between:

1. **AZAD ENGINEERING PRIVATE LIMITED**, a company incorporated and existing under the laws of India, having its registered at 90/C, 90/D, Phase-I, I.D.A, Jeedimetla, Hyderabad, Telangana 500055 (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);
2. **THE PERSONS LISTED UNDER SCHEDULE IA HERETO** (hereinafter referred to as the "**Founder Group**" which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to include his/her/its legal heirs/representatives, successors, executors, administrators and permitted assigns, as applicable);
3. **THE PERSONS LISTED UNDER SCHEDULE 1B HERETO** (hereinafter referred to as the "**Investors**" which expression shall, unless repugnant to or inconsistent with the context or meaning thereof, be deemed to include his/her/its legal heirs/representatives, successors, executors, administrators and permitted assigns, as applicable).

The Company, Founder Group and the Investors shall be hereinafter collectively referred to as "**Parties**" and individually referred to as "**Party**".

### WHEREAS:

- A. The Company has requested the Investors to invest in the capital of the Company, and subject to the terms of the Transaction Documents and the representations and warranties set out in Schedule 6, covenants and indemnities provided by the Founder Group and the Company in this Agreement, the Investors are desirous of investing such amounts in the Company towards subscription of such number of Equity Shares, and the Company has agreed to issue and allot to the Investors, the Subscription Shares more particularly as set forth herein.
- B. The capital structure of the Company as of the Execution Date is set out in **Schedule 2A**.
- C. The capital structure of the Company immediately post the Closing Date shall be as set out in **Schedule 2B**.
- D. The Parties now wish to enter into this Agreement to record the terms of subscription to the Equity Shares and other matters as more particularly provided herein.

**IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH HEREIN AND FOR OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:**

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

Capitalized terms as used in this Agreement shall have the meanings (a) as indicated in this Clause 1, (b) if not defined in this Clause 1, as assigned to such terms in the other parts of this Agreement where indicated, and (c) if not defined in this Agreement, as assigned to such terms in the SHA. Any term not defined in this Agreement or in the SHA, shall have the meaning as is commonly understood in India and within the spirit of this Agreement.

- 1.1.1 "**Accounts**" mean the audited financial statements of the Company for the financial year 2021-22 and the unaudited financial statements of the Company for the period from April 1, 2022 till the Accounts Date;
- 1.1.2 "**Accounts Date**" shall mean 30 September 2022.
- 1.1.3 "**Act**" shall mean the Companies Act, 2013 and includes rules, regulations, notifications, circulars and clarifications issued thereunder and all amendments, modifications and re-enactments of the foregoing and to the extent applicable, Companies Act, 1956;
- 1.1.4 "**Affiliate**" in relation to a Person, shall mean:
  - (a) in the case of an individual, his/her Relatives, and any Person, who is Controlled by such



- individual or a Relative of such individual; and  
(b) in the case of any other Person, any Person who Controls, is Controlled by, or is under common Control with, the first referred Person.

- 1.1.5 **"Agreement"** shall mean this Share Subscription Agreement, as amended from time to time, and shall include all the Schedules, Annexures and Exhibits hereto, as amended, supplemented or otherwise modified from time to time, and including any other document which amends, supplements or otherwise modifies this Share Subscription Agreement;
- 1.1.6 **"Amended Articles"** shall mean the amended and restated Articles incorporating the relevant terms of this Agreement and the provisions of SHA, in a form acceptable to the Investors;
- 1.1.7 **"Anti-Corruption Laws"** shall mean the Prevention of Corruption Act, 1988, the Prevention of Money Laundering Act, 2002 and any other Indian anti-corruption laws applicable, including any rules and regulations formed thereunder from time to time including any modifications and/or amendments;
- 1.1.8 **"Approvals"** shall have the meaning ascribed to it in para 7 of **Schedule 6**;
- 1.1.9 **"Articles"** shall mean the articles of association of the Company;
- 1.1.10 **"Board"** shall mean the board of directors of the Company as constituted from time to time;
- 1.1.11 **"Business"** shall mean the business of the Company and shall include manufacturing of Aerofoils, critical and small machine parts which are used in the energy (gas, steam, and nuclear turbines) and Aerospace sector;
- 1.1.12 **"Business Day"** shall mean a day (other than a Saturday or Sunday or an official public holiday in India) on which scheduled commercial banks are open for normal banking business in Hyderabad, India;
- 1.1.13 **"Charter Documents"** shall mean collectively, the Memorandum and Articles of the Company, as amended from time to time;
- 1.1.14 **"Claims"** shall have the meaning ascribed to it in Clause 7.1;
- 1.1.15 **"Closing"** shall mean issue and allotment of the Subscription Shares by the Company to Investors and completion of all the actions set out in Clause 5;
- 1.1.16 **"Confidential Information"** shall mean any information which is proprietary and confidential to the Person, whether marked confidential or otherwise and whether in writing, electronic form or oral, including but not limited to information concerning or relating in any way to its commercial arrangements, principals, any trade secrets or confidential operations, processes or inventions carried on or used by such Person, any information concerning the organisation, business, finances, transactions or affairs of such Person, its dealings, secret or confidential information which relates to its business or any of its principals', clients' or customers' transactions or affairs, its technology, designs, documentation, manuals, budgets, financial statements or information, accounts, writers' lists, customer lists, marketing studies, drawings, notes, memoranda and the information contained therein, any information therein in respect of trade secrets, technology and technical or other information relating to the development, manufacture, analysis, marketing, sale or supply or proposed development, manufacture, analysis, marketing, sale or supply of any products or services by such Person, and plans for the development or marketing of such products or services and information and material which is either marked confidential or is by its nature intended to be exclusively for the knowledge of the recipient alone;
- 1.1.17 **"Closing Date"** shall mean the date on which Closing occurs pursuant to Clause 5;
- 1.1.18 **"Closing Date Disclosure Letter"** means the disclosure letter updating the Execution Date Disclosure Letter by the Company on Closing Date for events between Execution Date and Closing Date issued by the Company and the Founder Group setting out the specific disclosures made by the Company and the Founder Group qualifying the Material Representations as on the Closing Date.
- 1.1.19 **"Closing Resolutions"** shall mean resolutions passed at the Closing:  
(A) Of the Board:  
(i) approving the issue and allotment of the Subscription Shares to the Investors;  
(ii) directing Investors' names to be entered in the register of members of the Company as registered holders of the Subscription Shares allotted;  
(iii) appointing the nominee of the Investors as an 'observer' in Board meetings in terms of the SHA;  
(iv) designating and authorizing an officer of the Company to make appropriate filings with the statutory authorities in relation to the issuance and allotment of the Subscription Shares and



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perform all such acts as may be necessary for the consummation of actions contemplated on the Closing Date;

and/or any other resolutions of the Board or the Shareholders as may be required under the Act for the above;

- 1.1.20 “**Conditions Precedent**” shall have the meaning ascribed to it in Clause 4.1;
- 1.1.21 “**Conditions Subsequent**” shall have the meaning ascribed to it in Clause 5.4;
- 1.1.22 “**Control**” or “**Controlled**” shall mean, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting or economic interest of such entity, or the control over more than 50% (fifty per cent) of the composition of the Board of directors / governing body of such entity or the power to direct the management or policies of such entity, whether by operation of law, by contract, or otherwise;
- 1.1.23 “**Company’s Bank Account**” means the bank account of the Company opened/maintained pursuant to Section 42 of the Act, into which Investors shall pay the Subscription Amount on the Closing Date, details of which are provided in **Schedule 3** of this Agreement;
- 1.1.24 “**CP Fulfillment Certificate**” shall have the meaning ascribed to it in Clause 4.3;
- 1.1.25 “**CP Satisfaction Certificate**” shall have the meaning ascribed to it in Clause 4.3;
- 1.1.26 “**Disclosure Letter**” means the Execution Date Disclosure Letter and the Closing Date Disclosure Letter;
- 1.1.27 “**Dispute**” shall have the meaning ascribed to it in Clause 9.3;
- 1.1.28 “**Dispute Notice**” shall have the meaning ascribed to it in Clause 9.3;
- 1.1.29 “**Encumbrance**” (including all grammatical variations such as “**Encumber**”) shall mean any mortgage, charge (whether fixed or floating), pledge, assignment by way of security, hypothecation, security interest, voting agreement, lien, charge, commitment, restriction (including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership) as well as right of set-off or any arrangement which has the effect of the foregoing;
- 1.1.30 “**Equity Shares**” shall mean the equity shares of the Company currently having a par value of INR 10/- (Rupees Ten Only) each;
- 1.1.31 “**Execution Date Disclosure Letter**” disclosure letter of even date issued to the Investors setting out the specific disclosures made by the Company and the Founder Group qualifying the Material Representations as on the Execution Date for events prior to the Execution Date;
- 1.1.32 “**FEMA**” shall mean the Foreign Exchange Management Act, 1999 and includes rules, regulations, notifications, circulars, directions, guidelines, and clarifications issued thereunder and all amendments, modifications and re-enactments of the foregoing;
- 1.1.33 “**Fully Diluted Basis**” shall mean that the calculation is to be made assuming that all outstanding Securities (whether or not by their terms then currently convertible, exercisable or exchangeable), stock options, warrants, including but not limited to any outstanding commitments to issue stock and / or shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged;
- 1.1.34 “**Governmental Authority**” shall mean any Indian government, governmental authority, statutory authority (including the RBI and SEBI), commission, government department, agency or instrumentality of any government, court, tribunal or arbitral tribunal, recognised stock exchange, that is authorised to make laws, rules or regulations or pass directions having or purporting to have jurisdiction (including any state or other subdivision thereof or any municipality, district or other subdivision thereof) and any authority exercising powers conferred by Law;
- 1.1.35 “**Indemnification Events**” shall have the meaning ascribed to it in Clause 7.1;
- 1.1.36 “**Indemnification Notice**” shall have the meaning ascribed to it in Clause 7.3;
- 1.1.37 “**Indemnified Person(s)**” shall have the meaning ascribed to it in Clause 7.1;
- 1.1.38 “**Indemnifying Person(s)**” shall have the meaning ascribed to it in Clause 7.1;



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*Handwritten signature*

- 1.1.39 “**INR**” or “**Rs**” or “**Rupees**” shall mean the lawful currency of India;
- 1.1.40 “**Intellectual Property**” shall mean all copyrights, patents, trademarks, moral rights, service marks, logos, registered designs, domain and sub-domain names and utility models, inventions, brand names, database rights, software, know-how, programming (including source code), and business names and any similar rights of whatever nature situate in any country and the benefit (subject to the burden) of any of the foregoing (in each case whether registered or unregistered, whether now or hereinafter existing and including applications for the grant of any of the foregoing and the right to apply for any of the foregoing in any part of the world);
- 1.1.41 “**Law**” includes all applicable Indian statutes, enactments, acts of the state legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, directions, directives and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange, as may be applicable, of India;
- 1.1.42 “**Long Stop Date**” shall mean 30 (thirty) days from the Execution Date or such other date as may be mutually agreed between the Parties;
- 1.1.43 “**Liability Cap Amount**” shall mean the aggregate of the Subscription Amount and the purchase consideration under the SPA;
- 1.1.44 “**Material Adverse Effect**” shall mean any event, occurrence, fact, condition, change, development or effect that is or may be, individually or in the aggregate, (i) materially adverse to the business, operations, prospects, results of operations, condition (financial or otherwise and including without limitation any material increase in provisions), properties (including intangible properties), assets (including intangible assets) or liabilities of the Company; or (ii) materially impairs the ability of the Company and/or the Founder Group 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 the SHA; or (iii) materially impacts the validity or enforceability of any of the Transaction Documents, the validity or enforceability of any of the transactions contemplated thereunder, or of the rights or remedies of Investors;
- 1.1.45 “**Material Representations**” shall have the meaning ascribed to it in Clause 6.1;
- 1.1.46 “**Memorandum**” shall mean the memorandum of association of the Company;
- 1.1.47 “**Orders**” shall have the meaning ascribed to it in para 16.1 of **Schedule 6**;
- 1.1.48 “**Person**” includes an individual, partnership, corporation, company, Hindu undivided family, unincorporated organization or association, trust, Governmental Authority or any other entity, whether incorporated or not;
- 1.1.49 “**Proceedings**” shall have the meaning ascribed to it in para 16.1 of **Schedule 6**;
- 1.1.50 “**Relative**” shall have the same meaning ascribed to it under the Act;
- 1.1.51 “**Securities**” shall mean Equity Shares, preference shares, any options, warrants, convertible debentures, convertible bonds, share / stock options, loans and /or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, shares, membership interests, or other ownership interests in the Company (whether or not then currently convertible, exercisable or exchangeable);
- 1.1.52 “**SHA**” shall mean the Shareholders’ Agreement of even date executed between the Parties hereto and other shareholders of the Company;
- 1.1.53 “**SPA**” shall mean the Share Purchase Agreement of even date executed between the Investors, DMI Financia Private Limited and the Company;
- 1.1.54 “**Shareholder**” shall mean any Person holding any Securities from time to time;
- 1.1.55 “**Subscription Amount**” shall mean the consideration paid by the Investors for subscribing to the Subscription Shares;
- 1.1.56 “**Subscription Price**” shall mean INR 6,023/- (Rupees Six Thousand Twenty-Three only) per Subscription Share;
- 1.1.57 “**Subscription Shares**” shall mean the Equity Shares being subscribed by Investors at Closing at Subscription Price, as set out in **Schedule 1B**;



- 1.1.58 “**Supporting Documents**” shall mean such documents (prescribed under Law and/ or required by the relevant authorised dealer bank, in the Agreed Form) required to be enclosed along with Form FC-GPR/ SMF or such other form as may be prescribed by the Reserve Bank of India, to report the issuance of Subscription Shares, by the Company to the Investor in terms of this Agreement to the Reserve Bank of India, including: (a) in respect of the Investor: (i) know your customer documents; and (ii) other documents as may be required by the relevant authorised dealer bank; and (b) in respect of the Company: (i) foreign inward remittance certificate; (ii) declarations required to be furnished by the authorised representative of the Company, as approved by the relevant authorised dealer bank; (iii) board resolution for allotment of the Subscription Shares; and (iv) valuation report/ certificate obtained in accordance with the Indian Foreign Exchange Management (Non-debt Instruments) Rules 2019;
- 1.1.59 “**Taxation**” or “**Tax**” shall mean all forms of taxation, duties (including stamp duties), levies, imposts, whether direct or indirect including corporate income tax, service tax, wage withholding tax, GST, customs and excise duties, capital gains tax and other legal transaction taxes, dividend withholding tax, land taxes, environmental taxes and duties and any other type of taxes or duties payable by virtue of any applicable national, regional or local law or regulation; together with any interest, penalties, surcharges or fines relating to them, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction;
- 1.1.60 “**Third Party Claim**” shall have the meaning ascribed to it in Clause 7.5; and
- 1.1.61 “**Transaction Documents**” shall mean this Agreement, the Disclosure Letter, the SHA, the SPA, and any other agreement/document that is executed or issued pursuant thereto;

## 1.2 Interpretation

In this Agreement, unless the context thereof otherwise requires:

- 1.2.1 Reference to the singular includes reference to the plural and vice versa;
- 1.2.2 Reference to any gender includes a reference to all genders;
- 1.2.3 The expressions “hereof”, “herein” and similar expressions shall be construed as references to this Agreement as a whole and not limited to the particular Clause or provision in which the relevant expression appears;
- 1.2.4 The words “including” and “includes” herein shall always mean “including, without limitation” and “includes, without limitation”, respectively;
- 1.2.5 The expression “this Clause” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (not merely the sub-clause, paragraph or other provision) in which the expression occurs;
- 1.2.6 Each of the Material Representations provided in this Agreement is independent of the other representations in this Agreement and except for the Material Representations, no other representations and warranties have been provided by the Company and Founder Group impliedly under any other agreement or Law;
- 1.2.7 Any references to any agreement or document herein shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented, or novated in writing at the relevant time in accordance with the requirements of such agreement or document;
- 1.2.8 The descriptive headings of clauses, sub-clauses, sections and sub-sections are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such clauses, sub-clauses, sections and sub-sections;
- 1.2.9 Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done, shall be calculated by excluding the day on which the period commences and including the day on which the period ends, and by extending the period to the next Business Day if the last day of such period is not a Business Day;
- 1.2.10 A document in the “Agreed Form” is to the form of the relevant document in the terms agreed between the Parties.
- 1.2.11 A reference to a specific time for the performance of an obligation is a reference to that time in the country, province, state, country or other place where that obligation is to be performed;



- 1.2.12 Any grammatical form or variation of a defined term herein shall have the same meaning as that of such term;
- 1.2.13 References to Recitals, Clauses, sub-clauses, Schedules, Exhibits and Annexures shall be deemed to be a reference to the recitals, clauses, sub-clauses, schedules, exhibits and annexures of this Agreement;
- 1.2.14 All Recitals, Schedules, Exhibits, Annexures contained in this Agreement shall form an integral part of this Agreement;
- 1.2.15 Knowledge of any person shall mean actual knowledge of such person. Any reference to the knowledge, information, belief or awareness of the Company and / or the Founder Group, shall be deemed to mean the knowledge information, belief or awareness of the Founder Group based on due and careful enquiry with the key managerial personnel of the Company;
- 1.2.16 This Agreement shall be read in conjunction with the other Transaction Documents;
- 1.2.17 Reference to “best efforts”, “best endeavours”, “reasonable endeavours”, “reasonable efforts” and other phrases of like meaning shall mean that the concerned person shall take all necessary steps to comply with the relevant requirement.
- 1.2.18 The word ‘writing’ or any variation of the word thereof, shall include e-mail communications. Further, any e-mail communication between the Parties is valid communication save for purposes of effecting an amendment to this Agreement which shall be executed in the same manner as this Agreement
- 1.2.19 Any reference to any statute or statutory provision shall include:
- (a) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated before the Execution Date); and
  - (b) such provision as from time to time amended, modified, re-enacted or consolidated (before the Execution Date) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under the Transaction Documents as applicable, and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as from time to time amended, modified, re-enacted or consolidated before the Execution Date) which the provision referred to has directly or indirectly replaced.

## 2. INVESTMENT BY INVESTORS AND USE OF PROCEEDS

- 2.1 Subject to the terms and conditions of this Agreement (including satisfaction of the Conditions Precedent), and relying on the Material Representations, warranties and the other covenants and undertakings of the Founder Group and the Company under the Transaction Documents, the Investors agree to subscribe to, and the Company agrees to issue to Investors the Subscription Shares for the Subscription Amount, as set out in **Schedule 1B**.
- 2.2 The Founder Group shall procure, and the Company shall, issue and allot the Subscription Shares free from and clear of Encumbrances and other adverse interests, together with all rights, privileges and preferences now or hereafter attaching thereto, in accordance with this Agreement, the SHA and the Amended Articles.
- 2.3 Upon the occurrence of Closing, the share capital of the Company on a Fully Diluted Basis shall be as set out in **Schedule 2B**.
- 2.4 The Company agrees and undertakes that the Subscription Amount shall be used in accordance with applicable Law and subject to any terms and restrictions under the SHA.

## 3. STANDSTILL

From the Execution Date until the Closing Date or the termination hereof, the Company shall not, and the Founder Group shall procure that neither the Company nor any shareholder, Director, officer, employee, agent or any of their respective delegates shall, without the affirmative written consent of the Investors, take any of the actions or do anything that may adversely affect the interests of the Investors or the Business of the Company. Without prejudice to the foregoing, between the Execution Date and the Closing Date, the Company shall and the Founder Group shall cause the Company to conduct its business in the normal and ordinary course, without commission or omission of any act, that will result in a Material Adverse Effect.

## 4. CONDITIONS PRECEDENT FOR CLOSING

- 4.1. The obligation of Investors to subscribe to the Subscription Shares and to pay the Subscription Amount shall be subject to the fulfillment of the conditions set forth in **Schedule 4** (“Conditions Precedent”)



*Anur*



being satisfied, or waived by Investors on or prior to the Long Stop Date.

- 4.2. The Company and the Founder Group shall make all endeavours in good faith to fulfil, to the satisfaction of Investors, the Conditions Precedent at the earliest, and in any event by or before 7 (seven) days prior to the Long Stop Date or any later date as may be mutually agreed between the Parties in writing.
- 4.3. The Founder Group and the Company shall immediately, upon the satisfaction of all the Conditions Precedent, deliver to Investors a letter in a form acceptable to the Investors ("**CP Fulfillment Certificate**") and enclosing copies of all such documentary evidence supporting the statements in such letter, confirming that the Conditions Precedent have been satisfied. Within 7 (seven) days of receipt of the CP Fulfillment Certificate, Investors shall, if satisfied that the Conditions Precedent have been fulfilled, confirm its satisfaction of the Conditions Precedent in writing by acknowledging and signing a copy of the CP Fulfillment Certificate and delivering it to the Company and the Founder Group ("**CP Satisfaction Certificate**"). It is clarified that if the Investors are not satisfied with the satisfaction of Conditions Precedent, then the Investors may require the Company and Founder Group to fulfil the Conditions Precedent and follow the process set out in Clauses 4.2 and 4.3 again.

## 5. CLOSING AND ACTIONS POST CLOSING

- 5.1. Subject to the provisions of Clauses 3 and 4, the Investors shall subscribe to the relevant Subscription Shares ("**Closing**") within 7 (seven) days of the receipt of the CP Satisfaction Certificate or such other date as the Parties may mutually agree to in writing (the date on which the Closing is to take place, "**Closing Date**"). It is agreed that the Closing shall take place on or before the Long Stop Date. Closing shall take place at the registered office of the Company or such other place as mutually agreed amongst the Parties in writing. The Closing shall not be said to have occurred unless all of the actions set out in Clause 5.2 are completed and are fully effective.
- 5.2. On the Closing Date, the following events shall be executed in the manner set out herein and shall be deemed to have been executed simultaneously:
  - 5.2.1 Investors shall transfer the Subscription Amount to the Company's Bank Account by way of RTGS and furnish to the Company the UTR number provided by their respective bankers;
  - 5.2.2 Upon receipt of the Subscription Amount in Company's Bank Account, the Company shall, and the Founder Group shall cause the Company to, hold a Board meeting and Shareholders' meeting to pass the Closing Resolutions and provide a certified copy of the same to the Investors; and
  - 5.2.3 The Company shall, and the Founder Group shall cause the Company to, enter the name of the Investors in the register of members of the Company in respect of the Subscription Shares and provide a certified copy of the same to Investors.
  - 5.2.4 All proceedings to be taken and all documents to be executed and delivered by the Parties on the Closing Date shall be deemed to have been taken and executed simultaneously and no proceedings shall be deemed to have been taken nor documents shall be deemed to have been executed or delivered until all have been taken, executed and delivered, unless agreed otherwise.
  - 5.2.5 The Company shall, and the Founder Group shall cause the Company to, duly fulfill each of the conditions enumerated in **Schedule 5** ("**Conditions Subsequent**") to the satisfaction of Investors as per the timelines prescribed therein for the fulfillment of such conditions.

## 6. REPRESENTATIONS

- 6.1. Except to the extent qualified under the Disclosure Letter, the Company, and the Founder Group, jointly and severally, represent and warrant to the Investors as set out in **Schedule 6** ("**Material Representations**") as of the Execution Date and the Closing Date.
- 6.2. Each of the Parties represent and warrant severally to the others that as of the Execution Date and the Closing Date he/she/it has full capacity, power, and authority to enter into and perform the transactions contemplated under this Agreement and the other Transaction Documents as applicable. Without prejudice, each Party represents and warrants that performance by them of the terms of the Transaction Documents will not constitute breach of any third-party contracts they are bound by or violation of any third-party rights or interests.
- 6.3. The Material Representations given by the Company under this Agreement at the Execution Date and Closing Date are subject to and qualified by facts and matters disclosed in the Disclosure Letter. The Investors shall have no claim whatsoever in respect of any specific fact or matter so disclosed in the Disclosure Letter against specific representations and warranties and the Company shall not be in breach



*[Handwritten signature]*

of any of such representations and warranties.

## 7. INDEMNITY

- 7.1. Subject to the terms and conditions set out in this Clause 7, after the Closing Date, the Company and the Founder Group hereby, jointly and severally, (collectively, the “**Indemnifying Persons**” and individually, the “**Indemnifying Person**”) indemnify and agree to keep indemnified and save and hold harmless the Investors (collectively, the “**Indemnified Persons**” and individually, the “**Indemnified Person**”), from and against any and all actual and direct losses, liabilities, claims, damages, costs and expenses including legal fees and disbursements in relation thereto (collectively, “**Claims**”) in relation to or arising out of any of the following items/events (collectively “**Indemnification Events**”):
- 7.1.1. any breach of any of the Material Representations made by the Indemnifying Person to the Investors under this Agreement;
- 7.1.2. any breach, default or violation or failure to comply with any terms, covenants, undertakings, and obligations contained in this Agreement; and
- 7.1.3. any fraud, by any of the Indemnifying Persons in relation to the Transaction at any time during the period up to the Closing Date.
- 7.2. Any compensation or indemnity as referred to in this Agreement, shall be such as to place an Indemnified Person in the same position as it would have been in, had there not been any breach and as if such warranty, certification or such other covenants/ terms, under which the Indemnified Person is indemnified, had been correct and/or complied with. It is hereby clarified a Claim indemnifiable under this Clause which is suffered by the Company shall be deemed to be a Claim to the Investors in proportion to their respective shareholding in the Company.
- 7.3. If the Indemnified Persons suffer a Claim (including, a Third-Party Claim) which is indemnifiable by the Indemnifying Person(s) under this Clause 7, then the relevant Indemnified Persons shall issue a written notice (“**Indemnification Notice**”) to the relevant Indemnifying Person(s), describing in reasonable detail the Claim suffered by the Indemnified Persons within a period of 30 (thirty) days of becoming aware of such Claim. An Indemnification Notice must describe the nature of the event in full detail, annex available supporting documentation to put the Indemnifying Party sufficiently and fairly on notice and the actual monetary quantum of the Claim, to the extent the Indemnified Party can reasonably determine that amount, at the relevant time when the Indemnification Notice is given. Provided always that, any reasonable delay by the Indemnified Party to provide the Claim Notice shall not relieve the Indemnifying Party of its indemnification obligations under this Agreement, unless such failure or delay results in an increase in liability of the Indemnifying Party in relation to the Claim, in which case the Indemnifying Party shall not be liable to the Indemnified Party to the extent of such increase in liability.
- 7.4. The Indemnifying Party may, within 30 (thirty) days after receipt of an Indemnity Notice (“**Objection Period**”), object or agree to the subject matter and/ or the amount of the Claim set forth in the Indemnity Notice (“**Claim Amount**”) by notifying the Indemnified Party in writing (“**Response Notice**”). Where the Indemnifying Party accepts the subject matter and the Claim Amount, the Indemnifying Party shall remit an amount equal to the Claim to the Indemnified Party within 30 (thirty) days from the date of the Response Notice. If the Indemnifying Party serves a Response Notice, objecting to the subject matter and / or the Claim Amount, or where no Response Notice is received within the Objection Period, then a Dispute will be deemed to have arisen between the Indemnifying Party and the Indemnified Party, to which the provisions of Clause 9 (*Governing Law, Jurisdiction and Dispute Resolution*) will apply.
- 7.5. **Third Party Claims:** In the event the Indemnity Claim has been made pursuant to any claim, demand, action, proceeding or suit by a third party (“**Third Party Claim**”), then the following shall apply:
- 7.5.1. Written notice thereof giving details of the Claim, the amount or estimated amount of Claim or other remedy sought thereunder to the extent then ascertainable, and attaching all supporting documentation if any (a “**Third Party Claim Notice**”) shall be given by the Indemnified Party to the Indemnifying Parties as promptly as practicable and no later than 7 (seven) days following the Indemnified Party becoming aware of such a Third Party Claim (including all information available with the Indemnified Party relating to such Third Party Claim). Any reasonable delay of the Indemnified Party to provide a Third-Party Claim Notice in accordance with this Clause 7.5.1 shall not relieve the Indemnifying Party of its indemnification obligations under this Agreement, unless such failure or delay results in an increase in liability of the Indemnifying Party in relation to the Claim, in which case the Indemnifying Party shall not be liable to the Indemnified Party to the extent of such increase in liability.
- 7.5.2. After receipt of a Third-Party Claim Notice, the Indemnifying Person shall be entitled to assume



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the defence of or settle or compromise such Third Party Claim, provided any settlement or compromise should irrevocably and unconditionally release the Indemnified Party from any claims.

- 7.5.3. If the Indemnifying Person does not assume such defence within 21 (twenty one) days from Third Party Claim Notice or a shorter period as may be required under a notice from a Governmental Authority, the Indemnified Person shall have the right to, without any obligation to, conduct the defense thereof, or enter into any compromise or settlement, without the prior written consent of the Indemnifying Person.
- 7.6. Notwithstanding the provisions of Clause 7.5 above, (a) if the Indemnifying Person(s) pays any amount in partial or complete discharge of an indemnification obligation under this Agreement in respect of a Third Party Claim and the Indemnified Person subsequently recovers (including by credit, refund or insurance) from a third party a sum, which fully or partially compensates the Indemnified Person in relation to the same Third Party Claim, the Indemnified Person, as the case maybe, shall pay to the Indemnifying Person(s) all sums received by the Indemnified Person that are in excess of the quantum of the Third Party Claim; and (b) if prior to the Indemnifying Person(s) paying any amount to the Indemnified Person in respect of a Third Party Claim, the Indemnified Person or the Company are entitled to recover from a third party (including an insurer) a sum which indemnifies or compensates the Indemnified Person in respect of the Claim which is the subject matter of the Third Party Claim, such claim in respect of the Claims shall automatically stand reduced to the extent of such recovery (after deducting the costs and charges incurred in such recovery).
- 7.7. In the event that the Company makes any payment to the relevant Investor/s pursuant to Clause 7, the same shall be grossed up to the extent of the shareholding proportion of the Investors to take into account the Claim suffered by the Investors (on account of their shareholding in the Company) as a consequence of such payment. Any indemnity payments made pursuant to this Clause 7 shall be made free and clear of and without deduction for or on account of any Taxes, charges, fees, costs, expenses or duties, except as may be required by applicable Law. If any Tax or amount in respect of such charges, fees, costs, expenses or duties must be deducted, or any other deductions must be made, from any amounts payable or paid pursuant to this Clause 7, such additional amounts must be paid by the Indemnifying Person(s) as may be necessary to ensure that the Indemnified Persons receive a net amount equal to the full amount which it would have received had payment not been made subject to such Taxes, charges, fees, costs, expenses or duties.
- 7.8. The Indemnifying Persons hereby waive all claims under applicable Law or otherwise in respect of any contribution or reimbursement from the Company in respect of the Claim paid by any of the Indemnifying Persons to the Indemnified Person under this Clause 7 and agree not to bring any claim in respect of the same.
- 7.9. The right to indemnification under this Clause 7 shall not be affected or treated as qualified by any investigation or due diligence conducted by or on behalf of the Indemnified Persons into the affairs of the Company, or any actual, imputed or constructive knowledge acquired or capable of being acquired (whether pursuant to the due diligence or otherwise) at any time by or on behalf of any of the Indemnified Persons, with respect to the accuracy or inaccuracy of any of the Material Representations made by an Indemnifying Person or breach, compliance or non-compliance with any obligation, undertaking, representation, covenant or agreement of any Indemnifying Person under this Agreement, and no such investigation, due diligence or knowledge shall prejudice any claim including for breaches of the Material Representations, for indemnification or otherwise, or operate as to reduce any amount recoverable.
- 7.10. The Indemnifying Person shall not be liable for any Claim to the extent that such Claim which is contingent or otherwise not capable of being quantified, till such time such liability ceases to be contingent or becomes capable of being quantified. Provided, with respect to any Third-Party Claims including any claims from Governmental Authorities any disbursements to be made, expenses to be incurred, deposits to be made, shall be to the account of the Indemnifying Party and the Indemnified Party will not be required to go out of pocket on such disbursements, expenses or deposits.
- 7.11. Notwithstanding anything contained in this Agreement, the Indemnifying Person shall not be liable, and the Indemnified Person shall not make a Claim for indemnity, if and solely to the extent that the Claim relates or has been adequately taken into account by way of a provision, or appropriate depreciation, or exceptional depreciation, or allowance, or reserve or otherwise in the Accounts of the Company.
- 7.12. The Indemnifying Person shall not be liable for a claim with respect to Claim on account of passing of any Law or change in Law (including any change in interpretation of Law) subsequent to the Closing Date.
- 7.13. **Limitation of Liability:** The aggregate liability of the Indemnifying Persons collectively for any and all



Amount

Claims pursuant to (i) Clause 7.1.1 which relate to Material Representations in Part A of Schedule 6 (*Fundamental Warranties*) shall be 100% (one hundred percent) of the Liability Cap Amount; (ii) Clause 7.1.1 which relate to Material Representations in Part B of Schedule 6 (*Business Warranties*) and Clause 7.1.2 under this Agreement shall be 50% (fifty percent) of the Liability Cap Amount. It is clarified that no limits on liability will apply with respect to any fraudulent representations.

#### 7.14. SURVIVAL OF MATERIAL WARRANTIES

7.14.1. An Indemnifying Person shall not be liable or obligated to make payment for any Claim under this Clause 7 (*Indemnification*) unless the Indemnified Person(s) has issued an Indemnification Notice or Third-Party Claim Notice to the Indemnifying Person in accordance with Clause 7.3:

(a) in relation to the Claims pursuant to Clause 7.1.1 which relate to breach of Material Representations covered in para 12 (Taxation) of Part B of Schedule 6 ("**Taxation Representations**").

(i) on or before the expiry of 7 (seven) years from the end of the Closing Date, if such Claim relates to the breach of Tax Representations for the period upto 31 March 2020; and

(ii) on or before the expiry of 11 (eleven) years from the end of the Closing Date if such Claims relates to the breach of Tax Representations on or after 1 April 2020.

(b) in relation to the Claims pursuant to Clause 7.1.1 which relate to breach of Material Representations set out in Part B of Schedule 6 (other than para 12 (Taxation)) on or before the expiry of 36 (Thirty-Six) months from the end of the Closing Date; and

(c) in relation to the Claims pursuant to Clause 7.1.1 which relate to breach of Material Representations covered in Part A of Schedule 6 (*Fundamental Warranties*) and pursuant to Clauses 7.1.2 or 7.1.3, without any limitation of time.

7.14.2. In no event shall the Indemnifying Person be liable for any special, indirect, incidental, consequential or punitive damages.

#### 7.15. MONETARY THRESHOLDS

7.15.1 The Indemnifying Persons shall not be liable to indemnify the Indemnified Persons pursuant to Clause 7, in relation to a Claim for, any single Claim (or series of related Claims arising from the same cause of action or facts, events or circumstances or relating to Claims of a similar nature or circumstances) that is less than INR 20,00,000 (Rupees Twenty lakhs) in value ("**De Minimis Threshold**").

7.15.2 The Indemnifying Persons shall not be liable to indemnify the Indemnified Person for any Claim, until the aggregate amount of all individual Claims exceeds INR 1,00,00,000 (Rupees one crore only) ("**Basket Threshold**"), provided that, once the aggregate amount of all such Claims being greater than the De Minimis Threshold exceed the Basket Threshold, the Indemnifying Person shall be liable for all the Claims that exceed the De Minimis Threshold.

7.15.3 The Parties agree that the indemnification provisions under this Agreement shall be the sole and exclusive monetary remedy available to the Investor in relation to this Agreement. Provided, however, the Investors shall be entitled to an injunction, suit for specific performance, rescission, restitution, or such other equitable non-monetary relief as a court of competent jurisdiction may deem necessary or appropriate.

### 8. CONFIDENTIALITY OF TERMS OF AGREEMENT

8.1. Each of the Parties shall maintain utmost confidentiality of the Confidential Information, including the contents of this Agreement save and except for any disclosures or sharing of information to the Permitted Recipients. None of the Parties shall make any formal or informal announcements to the public or to any other Person regarding the arrangements contemplated by this Agreement without the (i) prior written consent of, and (ii) the approval of the form and manner of such announcement from, the other Parties. None of the Parties shall be liable for making such announcements if the same are required to be disclosed by Law provided the content of the announcement is in an Agreed Form. "**Permitted Recipient**" of the Parties for the purposes of this Clause 8 shall mean any of their directors, officers, advisors, employees, investors who need to know and are in turn subject to confidentiality obligations.

8.2. The Parties acknowledge and agree that the covenants and obligations with respect to confidentiality as set forth above relate to special, unique and extraordinary matters, and that a violation of any of the terms of such covenants and obligations will cause the other Party irreparable injury. Therefore, it is agreed that the aggrieved Party shall be entitled to an interim injunction, restraining order or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the other Party



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from committing any violation of the covenants and obligations contained in this Clause 8. These injunctive remedies are cumulative and are in addition to any other rights and remedies that the aggrieved Party may have at Law or in equity.

## 9. GOVERNING LAW, JURISDICTION AND DISPUTE RESOLUTION

- 9.1. **Governing Law:** This Agreement and its performance shall be governed by and construed in all respects, in accordance with the laws of India.
- 9.2. **Jurisdiction of courts:** Subject to Clause 9.3 below, parties agree that any and all disputes and differences arising under, out of or in connection with the following agreement shall be subject to the exclusive jurisdiction of the courts in Hyderabad, India.
- 9.3. **Dispute Resolution:** If any dispute, controversy, or claim between the Parties arises out of or in connection with this Agreement, including the breach, termination, or invalidity thereof (“Dispute”), the Parties shall use all reasonable endeavors to negotiate with a view to resolving the Dispute amicably. If a Party gives the other Party notice that a Dispute has arisen (“Dispute Notice”) and the Parties are unable to resolve the Dispute amicably within 30 (thirty) days of service of the Dispute Notice (or such longer period as the Parties may mutually agree), then the Dispute shall be referred and finally settled by binding arbitration as per the provisions of the Arbitration and Conciliation Act, 1996, in effect at the time of such arbitration. The Parties shall appoint a sole arbitrator as mutually agreed. The seat and venue of the arbitration shall be Hyderabad. In the event the disputing Parties fail to appoint the arbitrator within 15 (fifteen) days of notice of dispute, the arbitrator shall be appointed pursuant to the provisions of the Arbitration and Conciliation Act 1996. The arbitration proceedings shall be conducted in English and the award shall be final and binding on the Parties. The cost of the arbitral proceedings shall be borne equally by the disputing Parties.

## 10. TERMINATION

- 10.1. This Agreement may be terminated at any time prior to the Closing Date, and the transactions contemplated hereby abandoned:
- 10.1.1. by mutual consent of the Parties in writing;
- 10.1.2. by the Investors, if the Founder Group and/or the Company have materially breached any covenants and obligations contained in this Agreement or upon occurrence of Material Adverse Effect in respect of the Company;
- 10.1.3. by the Company and/ or the Founder Group, in their sole discretion, if the Investors have materially breached any covenants and obligations contained in this Agreement;
- 10.2. This Agreement shall automatically terminate and cease to have effect if the Condition Precedent are not completed within the specified timeframe and accordingly Closing has not taken place or occurred prior to the Long Stop Date.
- 10.3. This Agreement may be terminated by the Investors at their option in the event the consummation of the transactions under the SPA is not possible for any reason.
- 10.4. In the event of termination of this Agreement for any reason, but if any portion of the Subscription Amount is remitted by any of the Investors into the designated bank account of the Company, the Company shall forthwith refund the said amounts back to the relevant Investors without any delay and in any event within 3 (three) Business Days of such termination.

## 11. SURVIVAL

If this Agreement is terminated pursuant to Clause 10.2 above, the Transaction Documents shall have no further force or effect and no Party shall have any further liability or obligation with respect to the Transaction Documents. The provisions of Clause 8 (*Confidentiality*), Clause 9 (*Governing Law, Jurisdiction and Dispute Resolution*), Clause 10 (*Termination*), this Clause 11 (*Survival*), Clause 12 (*Notices*) and Clause 17 (*Costs and Expenses*) shall survive the termination of this Agreement.

## 12. NOTICES

Any notices, requests, demands or other communication required or permitted to be given under this Agreement shall be written in English and shall be delivered in person (with due acknowledgment), or sent by courier or by certified or registered mail, postage prepaid or transmitted by email and properly addressed to the coordinates specified under **Schedule 1**.



Handwritten signature in blue ink.

**13. ASSIGNMENT**

Except as otherwise contemplated in the Transaction Documents, none of the Parties shall be entitled to assign their respective rights and obligations under the Agreement, without prior written consent of the other Parties.

**14. SEVERABILITY**

Any provision in this Agreement, which is or may become prohibited or unenforceable in any jurisdiction, shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in the same or any other jurisdiction. Without prejudice to the foregoing, the Parties will immediately negotiate in good faith to replace such provision with a proviso, which is not prohibited or unenforceable and has, as far as possible, the same legal and commercial effect as that which it replaces.

**15. ENTIRE AGREEMENT**

This Agreement read with the other Transaction Documents represents the entire agreement between the Parties in relation to the matters contained in this Agreement and shall supersede and extinguish the term-sheet and any previous drafts, agreements or term sheets between all or any of the Parties (whether oral or in written) relating to the subject matter herein.

**16. AMENDMENTS AND WAIVERS**

Any provision of this Agreement may be amended or waived if, and only if such amendment or waiver is in writing and signed, in the case of an amendment by each of the Parties, or in the case of a waiver, by the Party against whom the waiver is to be effective. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a waiver of the same or any other term or condition of this Agreement on any future occasion.

**17. COSTS AND EXPENSES**

All valuation related costs and stamp duty costs (including execution of Transaction Documents and allotment of shares) will be borne by the Company. All other costs and expenses including in relation to preparation of the Transaction Documents, legal and advisor fees will be borne by the respective parties towards their respective lawyers and advisors.

**18. FURTHER ASSURANCES**

Each of the Parties shall, at any time and from time to time promptly and duly execute and deliver all such further instruments and documents, as may be reasonably deemed necessary for enforcing the rights and ownership herein granted to the Parties; and do or procure to be done each and every act or thing as reasonably required from time to time to be done for the purpose of enforcing the rights of Parties under this Agreement. Provided however that, any delay or in-action by any of the Investors, shall not affect or prejudice the rights of such Investors in any manner whatsoever.

**19. INJUNCTIVE RELIEF AND SPECIFIC PERFORMANCE**

All non-defaulting Parties shall be entitled to an injunction, a restraining order, a right for recovery, a suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate, to restrain the other Parties from committing any violation of applicable Law or the Transaction Documents or to enforce the performance of the covenants, representations and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies that Investors may have under applicable Law or in equity, including without limitation, a right for damages.

**20. COUNTERPARTS AND EXECUTION**

This Agreement may be signed in as many counterparts as necessary, each of which shall be deemed to be an original, and all of which together shall constitute one and the same instrument. The exchange of a fully executed version of this agreement (in counterparts or otherwise) by electronic transmission in 'portable document format' or PDF or any other format shall be sufficient to bind the Parties to the terms and conditions of this Agreement and no exchange of originals is necessary.

<Signature Pages Follow>



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

For AZAD ENGINEERING PRIVATE LIMITED  
Pursuant to authorization under Board Resolution dated 11<sup>th</sup> October 2022

  
\_\_\_\_\_  
Director

Name: Rakesh Chopdar  
Designation: Director  
Date: 11-10-2022

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

**By Mr. Rakesh Chopdar**



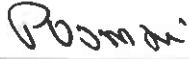
Name: Rakesh Chopdar

Designation: Director



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

**By Mr. Venkata Subbaraju Penmetsa**



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

By Mrs. Rajyalakshmi Penmetsa

P. Rajya lakshmi

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

By Mr. Vivek Mundra

Vivek Mundra

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

**By Dr. Nageshwar Reddy Duvvur**

A handwritten signature in black ink, consisting of several fluid, overlapping strokes, positioned above a horizontal line.

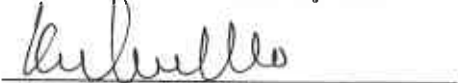
**IN WITNESS WHEREOF**, each of the aforementioned Parties has signed and executed this Agreement on the date first above written.

**By Ms. Bindiya Mahapatra**



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

By Mr. Venkata Krishnam Raju Alluri



A handwritten signature in black ink, appearing to read 'Venkata Krishnam Raju Alluri', is written over a solid horizontal line.

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

**By Mr. Vijay Kumar Raju Alluri**



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

**For and on behalf of Pilot Consultants Private Limited**

For, PILOT CONSULTANTS PVT. LTD.



*Director / Authorised Signatory*

Name:

Designation:



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

For and on behalf of Plutus Capital (partnership firm)

PLUTUS CAPITAL

  
\_\_\_\_\_  
*Partner*

Name:

Designation:

**SCHEDULE 1A**  
**DETAILS OF FOUNDER GROUP**

S. No	Names	Address	Email
1.	Rakesh Chopdar	5A/800, Benecia, Lodha Bellezza, Phase 4 Kukatpally ,Tirumalagiri,Hyderabad500072,Telangana	rakesh@azad.in

**SCHEDULE 1B**  
**DETAILS OF INVESTORS AND SUBSCRIPTION DETAILS**

S. No	Names	Address	Email	Number of Subscription Shares	Applicable Subscription Amount determined at Subscription Price
1.	Mr. Venkata Subbaraju Penmetsa	Plot No.372, Road No22, Jubilee Hills Hyderabad 500033	regalinvestments@rediffmail.com	10703	6.44,64.169
2.	Mrs. Rajyalakshmi Penmetsa	Plot No 372, Road No22, Jubilee Hills Hyderabad 500033	regalinvestments@rediffmail.com	9514	5.73,02,822
3.	Mr. Vivek Mundra	#14-05 Draycott 8 8 Draycott Park Singapore 259404	vivek@merlinholdings.com; vikram@merlinhodings.com	28541	17.19,02,413
4.	Dr. Nageshwar Reddy Duvvur	A-27 Journlist Colony Shaikpet, Jubilee Hills Hyderabad 33	rammohan66@gmail.com	19028	11.46,05.644
5.	Ms. Bindiya Mahapatra	93 Grange Road, #09-07 Grange Residences, Singapore 249614	zibran.dawt@ndteo-ca.com; prakash@ndteo-ca.com; sabu@indeacapital.com	9514	5.73,02,822
6.	Mr. Venkata Krishnam Raju Alluri	Flat No 307C Hanging Gardens Road No 10, Banjara Hills Hyderabad 34	regalinvestments@rediffmail.com	5946	3.58,12.758
7.	Mr. Vijay Kumar Raju Alluri	Flat No 201 Grand Milieu Apartments Road No 14, Banjara Hills Hyderabad 34	regalinvestments@rediffmail.com	2378	1,43,22.694
8.	Pilot Consultants Private Limited	Sushila Apartments, 13, Mahendra Road, 1st Floor, Kolkata	pilot.limited@rediffmail.com	4757	2,86,51,411
9.	Plutus Capital (partnership firm)	204, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai - 400018	karan@plutuscap.in	4757	2,86,51,411
Total				95138	57,30,16,174

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**SCHEDULE 2A**

**SHAREHOLDING PATTERN OF THE COMPANY ON THE EXECUTION DATE**

NAME OF SHAREHOLDER	TYPE OF SECURITY			Shareholding Percentage on Fully Diluted Basis
	EQUITY SHARES	PREFERENCE SHARES	TOTAL	
SHAKUNTALA CHOPDAR	1,600	0	1,600	0.10278
RAKESH CHOPDAR	15,06,800	0	15,06,800	96.79525
JYOTI CHOPDAR	4,800	0	4,800	0.30835
DMI FINANCE PVT LTD	42,932	0	42,932	2.75791
ANSHUMAN MADAN MALUR	242	0	242	0.01555
SHAKENDRA BHANDARI	242	0	242	0.01555
YATHARTH RATADIYA	72	0	72	0.00463
<b>Total</b>	<b>15,56,688</b>	<b>0</b>	<b>15,56,688</b>	<b>100%</b>

\* Pool reserved for creation of employee stock option scheme.

**SCHEDULE 2B**

**SHAREHOLDING PATTERN OF THE COMPANY ON THE CLOSING DATE**

NAME OF SHAREHOLDER	TYPE OF SECURITY			Shareholding Percentage on Fully Diluted Basis
	EQUITY SHARES	PREFERENCE SHARES	TOTAL	
SHAKUNTALA CHOPDAR	1,600	0	1,600	0.09686
RAKESH CHOPDAR	15,06,800	0	15,06,800	91.22026
JYOTI CHOPDAR	4,800	0	4,800	0.29059
DMI FINANCE PVT LTD	42,932	0	42,932	2.59906
ANSHUMAN MADAN MALUR	242	0	242	0.01465
SHAKENDRA BHANDARI	242	0	242	0.01465
YATHARTH RATADIYA	72	0	72	0.00436
SHRI VENKATA SUBBARAJU PENMETS	10,703	0	107030	0.64795
MRS RAJYALAKSHMI PENMETS	9,514	0	95140	0.57597
MR VIVEK MUNDRA	28,541	0	285410	1.72785
DR NAGESHWAR REDDY DUVVUR	19,028	0	190280	1.15194
BINDIYA MAHAPATRA	9,514	0	95140	0.57597
MR VENKATA KRISHNAM RAJU ALLURI	5,946	0	59460	0.35997
MR VIJAY KUMAR RAJU ALLURI	2,378	0	23780	0.14396
PILOT CONSULTANTS PVT LTD	4,757	0	47570	0.28798
PLUTUS CAPITAL (PARTNERSHIP)	4,757	0	47570	0.28798
<b>Total</b>	<b>16,51,826</b>	<b>0</b>	<b>1,65,18,260</b>	<b>100.00%</b>

\* Pool reserved for creation of employee stock option scheme.

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SCHEDULE 3

COMPANY'S BANK ACCOUNT

Bank Name: UNION BANK OF INDIA  
Account Name: **AZAD ENGINEERING PRIVATE LIMITED**  
Bank Branch: MID CORPORATE BRANCH  
Bank Account Number 779001010050033  
Bank Account Type: **CURRENT**  
IFSC Code: UBIN0577901

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## SCHEDULE 4

### CONDITIONS PRECEDENT

- A. The Board and Shareholders shall have passed appropriate resolutions for increase of the authorized share capital or reclassification of the share capital of the Company, as required, filed relevant e-forms with the registrar of companies in relation to any increase in authorised share capital as may be required, and received approval from the registrar of companies for such increase of authorized share capital;
- B. The Company shall have passed all requisite corporate resolutions as may be required under the applicable Law and Charter Documents, for authorizing the execution of this Agreement and other Transaction Documents and of the transactions contemplated herein, to be performed in accordance with this Agreement and the Transaction Documents, including but not limited to the private placement process under the Act;
- C. The Company having obtained separate valuation reports from a registered valuer as per the requirements prescribed under the Act and from a chartered accountant or a SEBI registered merchant banker as per the requirements prescribed under the Indian Foreign Exchange Management (Non-debt Instruments) Rules 2019;
- D. The Material Representations shall be true and correct as of the Execution Date and the Closing Date;
- E. No Governmental Authority:
- (i) has or has indicated an intention to institute any action or investigation;
  - (ii) has requested (in writing or by way of any oral communication) any information in connection with or instituted or threatened any action or investigation; and/or
  - (iii) has proposed or enacted any statute or regulation or initiated any actions or inquiries; which would, in each case restrain, prohibit or otherwise challenge, or have the effect of adversely affecting or delaying the implementation of the subscription to the Subscription Shares or the operation of the Company after Closing Date;
- F. There having been no Material Adverse Effect having occurred between the Execution Date and the Closing Date with respect of the Company;
- G. The Company and the Founder Group shall have obtained all applicable corporate, governmental, management, third party and regulatory authorizations, approvals, permits, consents and waivers, necessary or appropriate, for (i) execution of this Agreement and Transaction Documents and (ii) consummation of the transactions contemplated by this Agreement and Transaction Documents; and

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## SCHEDULE 5

### CONDITIONS SUBSEQUENT

1. The Company shall, within a period of 15 (fifteen) days from the Closing Date make such filings as may be applicable, in relation to (i) allotment of the Subscription Shares, and (ii) amendment of the Articles, and provide the Investor's with the evidence of such filling within a period of 2 (two) days of its fulfillment.
2. The Company shall, within a period of 30 (Thirty) days from the Closing Date have finalized and adopted the Amended Articles. The Amended Articles shall be aligned with the format prescribed under Table F of the Act.

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## SCHEDULE 6

### MATERIAL REPRESENTATIONS

#### PART A – FUNDAMENTAL WARRANTIES

1. **Existence and Ability**
  - 1.1 The Company has been established and incorporated in accordance and compliance with all applicable Laws, has the corporate power and authority to own and operate its assets and properties to carry on the Business as currently conducted and proposed to be conducted. The Company has obtained all necessary approvals, permissions, authorities and consents required under applicable Laws to conduct the Business in the places and in the manner in which it is carried on, use its assets and occupy the properties owned and used by it and such permits are valid and subsisting.
  - 1.2 The Company is entitled and authorized to issue the Subscription Shares in the manner and upon the terms and conditions contained in this Agreement, pursuant to the Charter Documents.
  - 1.3 The Company has the legal right and full power and authority and has taken all necessary corporate actions to enter into and perform this Agreement and any other documents to be executed by it pursuant to or in connection with this Agreement and all other documents relating hereto.
  - 1.4 This Agreement, other Transaction Documents and any other document to be executed pursuant to or in connection with the Transaction Documents will, when executed, constitute legal, valid and binding obligations on the Company, enforceable in accordance with their respective terms.
2. **Corporate Status and Authority**
  - 2.1 The Business and affairs of the Company have been conducted in accordance with its certificate of incorporation and the Charter Documents and true, complete and duly amended copies of the same have been provided to Investors. Further, the Company does not carry on any business that will render the issue of Subscription Shares to Investors to be in violation of any applicable Law.
  - 2.2 The Transaction Documents, having been duly executed by the Founder Group, constitute legal, valid, and binding obligations on each of them and are enforceable against each of them in accordance with their terms. The Founder Group have the power and authority to execute the Transaction Documents and perform and observe all terms therein. The Founder Group are not bound by any contract, which may restrict their right or ability to enter into or perform the Transaction Documents, or which would be breached as a result of execution and performance of the Transaction Documents.
3. **No Violation**
  - 3.1 The execution, delivery and performance by the Founder Group and the Company of the Transaction Documents and their compliance with the terms and provisions thereof:
    - (a) does not violate the certificate of incorporation or the Charter Documents;
    - (b) does not contravene any provision of any applicable Law, or any order, writ, injunction or decree of any court or tribunal or Governmental Authority to which they are subject;
    - (c) does not result in the creation of any Encumbrance in favor of any third party, upon the assets, properties, and shares of the Company, or prejudice any authorization, consent, license, or registration that is required for Business of the Company;
    - (d) does not conflict with, result in any breach of, or constitute a default under, or give rise to a right to terminate, amend, modify, abandon, or accelerate, any agreement, contract or permit which is applicable to the Company or the Founder Group, or by which any of the assets of the Company may be bound; or
    - (e) does not constitute an act of bankruptcy, preference, insolvency, or fraudulent conveyance under applicable Law enacted for the protection of debtors or creditors.
4. **Subscription Shares**
  - 4.1 The Company has good right, full power and absolute authority to issue and allot the Subscription Shares to Investors free from any Encumbrance, claim or demand of any nature and the Company and each of the Founder Group have not nor have anyone on their behalf done, committed or omitted any act, deed, matter, or thing whereby the Subscription Shares can be forfeited, extinguished, or rendered void or voidable. The Subscription Shares when issued on the Closing Date will not be subject to any restrictions other than as contemplated in the SHA and applicable Law.



- 4.2 Neither the Company nor the Founder Group, nor anyone acting on behalf of Company or the Founder Group, has entered into or arrived at any agreement and/or arrangement, written or oral, with any Person in respect of the Subscription Shares, which will render the issue of the Subscription Shares in violation of such agreements.
- 4.3 There are no options, agreements, or understandings (exercisable now or in the future and contingent or otherwise) which entitle or may entitle any Person to create or require to be created any Encumbrance over any of the Subscription Shares.
- 4.4 As on the Closing Date, upon the issue of the Subscription Shares, the shareholding pattern of the Company will be as set out in **Schedule 2B**.
- 4.5 The Subscription Shares shall be issued and allotted free from any Encumbrance.
- 4.6 Neither the entry into, nor compliance with, nor completion under the Transaction Documents is likely to cause the Company and/or the Founder Group to lose the benefit of any right, credit or privilege the Company and/or the Founder Group presently enjoy.

## 5. Authorisations

- 5.1 All corporate approvals, Shareholders' consents and other consents required under applicable Law or under any contract or otherwise and required to be obtained by the Founder Group or the Company for the execution and performance of the Transaction Documents have been obtained, or granted and continue in force and the Company and the Founder Group have complied with all conditions attached to each such consent and/or approval.
- 5.2 The Company has not executed any prior agreements creating any special rights regarding the management and operations of the Company in favour of any other Person.

## 6. Accuracy of Information

- 6.1 All the information contained in this Agreement is true, complete, and accurate. All the information which has been given by or on behalf of the Company and/or the Founder Group to Investors (or to any director, representative, agent, or adviser of Investor) with respect to the Company at the time when it was given is true and accurate in all respects as of such date. It is hereby clarified that no warranties or guarantees are provided in relation to forwarding looking statement or projections.

## PART B – BUSINESS WARRANTIES

## 7. Regulatory Matters

- 7.1 Licenses. The Company has obtained all material licenses, permissions, authorisations (public or private) or consents ("**Approvals**") required for carrying on its Business effectively in the places and in the manner in which it is carried on at the date of this Agreement in accordance with all applicable Laws. As on the Closing Date, these Approvals are in full force and effect, are not subject to any unusual or onerous conditions and have been complied with in all respects. There are no circumstances to the knowledge of the Company which indicate that any Approval will or is likely to be revoked or not renewed, in whole or in part, in the ordinary course of events (whether as a result of the transactions contemplated in this Agreement or the SHA or otherwise).
- 7.2 Business Practices. To the knowledge of the Company neither the Company nor any Person authorised to act on its behalf, have taken or caused to be taken any action, directly or indirectly, that would be expected to result in a violation of Anti-Corruption Laws or any other applicable Law relating to improper payments of any kind in relation to the Business or affairs of the Company.

## 8. Share Capital and Shareholding

- 8.1 As on the Execution Date, the authorised share capital of the Company is INR 1,00,000,000/- (Indian Rupees Ten Crore) divided into 16,00,000 (Sixteen Lakhs) equity shares of INR 10/- (Indian Rupees Ten) each and 8,40,000 (Eight Lakhs Forty Thousand) preference shares of INR 100/- (Indian Rupees Hundred each). The aggregate number of the subscribed and paid-up Securities as set out in **Schedule 2A** represents all of the subscribed, paid-up and outstanding Securities of the Company.



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- 8.2 All of the issued and outstanding Securities are, and the Subscription Shares shall be, when issued and delivered in accordance with the terms of the Agreement, duly authorized, validly issued, fully paid and free of pre-emptive rights and other Encumbrances.
- 8.3 Except as contemplated under Transaction Documents, there are no outstanding rights, plans, stock options (including any employee stock options), warrants, calls, conversion rights, re-purchase rights, redemption rights or any contracts, arrangements, requirements or commitments of any character (either oral or written, firm or conditional) obligating the Company to issue, deliver, sell, purchase, re-purchase or otherwise acquire, or cause to be issued, delivered, sold, purchased, re-purchased or otherwise acquired, any Securities or obligating the Company to grant, extend or enter into any such contract, arrangement, requirement or commitment, nor are there any rights to receive dividends or other distributions in respect of any such Securities.
- 8.4 Except as aforesaid, there are no outstanding convertible instruments and/or warrants and/or preference shares or agreements for the subscription or purchase from the Company of any Securities in the share capital of the Company or any Securities convertible into or ultimately exchangeable or exercisable for any capital stock of the Company, including voting agreements which have been issued by the Company to any Person including the Founder Group which can be converted into Equity Shares.
- 8.5 The Securities of the Company have not been and are not listed on any stock exchange or regulated market.
- 8.6 The Company has not bought back, repaid or redeemed or agreed to buy back, repay or redeem any of the Securities or otherwise reduce or agree to reduce its authorised or issued share capital or purchased any of its own Securities or carried out any transaction having the effect of a share buy-back or reduction of share capital of the Company.
- 8.7 All transfers of the Company's Securities are duly completed in accordance with the requirement of the Act.

## 9. Structure

- 9.1 The Company is not a member of any partnership, joint venture, consortium, or other unincorporated association, body or undertaking in which it participates or is required to participate with any other Person in any business or investment.
- 9.2 Other than the Charter Documents, there is no agreement (oral or written), arrangement, or understanding amongst the Founder Group or other Shareholders that governs their relationship *vis-à-vis* each other as Shareholders of the Company, or the Business and Control and management of the Company.
- 9.3 No member of the Founder Group has any interest, direct or indirect, in any competing or similar business as that of the Business of the Company.

## 10. Solvency

- 10.1 No application has been made to a court requesting that a liquidator or receiver be appointed for the Company, or for an order, or the making of any order, to place the Company in bankruptcy or to otherwise wind up the Company. No resolution has been passed to wind up the Company. No resolution has been passed and no meeting has been held to appoint an official liquidator. No class of the Company's creditors have entered into any scheme or arrangement with respect to the liabilities of the Company. The Company has not entered into any reconstruction or arrangement with or made any assignment for the benefit of any class of the Company's creditors. The Company has not received any notice, written or otherwise, of any legal proceeding initiated or to be initiated as a result of the Company not paying its creditors.
- 10.2 There are no unfulfilled or unsatisfied judgements or court orders outstanding against the Company, which would have a Material Adverse Effect on the financial condition, Business, and operations of the Company.
- 10.3 The Company is solvent and able to pay its debts as they fall due.



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## 11. Financial Arrangements

- 11.1 The accounting books and records of the activities of the Company have been fairly and properly maintained and are in accordance with applicable Law and applicable accounting standards and are up-to-date and contain all material matters required by applicable Law to be entered in them.
- 11.2 The business and the financial condition (including the assets, liabilities, and state of affairs) of the Company is truly and fairly provided in the Accounts, and there has been no material change thereto, other than in the ordinary course of business, and there has been no Material Adverse Effect thereto, in any event.
- 11.3 Except as set out in the Accounts, and other than in ordinary course of business, the Company does not have liabilities of any kind, whether accrued, absolute, contingent, or otherwise (including liabilities as guarantor or otherwise with respect to obligations of others, or liabilities for Taxes due or then accrued or to become due), or outstanding borrowing or indebtedness in the nature of borrowing, in any form whatsoever, or any claims outstanding against it.
- 11.4 The Company does not have any outstanding borrowing or indebtedness in the nature of borrowing, any Encumbrance, or, any transaction in which a director or a Relative of such Director has material interest, or any other material transactions in relation to which such Directors are considered to be interested directors within the meaning of the Act. In particular, there are no outstanding loans made by the Company or the Founder Group or to the Company by, any Director or officer of the Company or any Person connected with any of them.
- 11.5 There are no outstanding guarantees, indemnities, sureties, or comfort letters (whether or not legally binding) given by or for the benefit of the Company. The Company has not granted or issued or agreed to grant or issue any mortgages, charges, debentures, or other securities for money or redeemed or agreed to redeem any such securities or given or agreed to give any guarantees or indemnities.
- 11.6 There are no liabilities (contingent or otherwise) that may arise, accrue and/or attach to Investors or any Affiliate of Investors as a result of the consummation of the transactions contemplated by this Agreement.
- 11.7 There are no Encumbrances or any other agreements or arrangements having a similar effect, created over any present or future properties, assets or revenues of the Company whether tangible, intangible or real, or whether created voluntarily or otherwise.
- 11.8 There have been no instances of fraud on, or by, the Company which have been noticed and not reported, and Investors and their Affiliates shall have no liabilities accrued and/or attached on account of any of such frauds.

## 12. Taxation Matters

- 12.1 The Company has complied with all the material requirements as specified under the respective Tax laws as applicable to it in relation to returns, computations, notices, deductions, withholdings and information which are or are required to be made or given by the Company to any Tax authority for Taxation and for any other Tax or duty purposes, have been made on a proper and timely basis and are correct and none of them is the subject of any dispute with the Indian Taxation authorities and all Taxes have been deducted, collected, withheld, deposited and paid and filings with respect to the same have been done and completed in accordance with Law and no Tax demand has been received by the Company or to the knowledge of the Founder Group threatened in respect thereof.
- 12.2 The Company has discharged all due and payable sums towards payment of Taxes of any other Persons that they are required to discharge under any applicable contracts.
- 12.3 The Company is not subject to Tax in any jurisdiction other than India
- 12.4 The Company has no Tax liability arising out of any matter up to Closing except as adequately reserved for on its balance sheet.
- 12.5 With respect to any period for which Tax returns are not yet due and thus have not been filed, or for which Taxes are not yet due or owing, the Company has made due and sufficient accruals for such Taxes in its books and records and in accordance with applicable accounting standards and applicable Laws.



- 12.6 The Company has not paid or become liable to pay any material interest, penalty, surcharge or fine relating to any applicable Taxes. The Company has not been subject to and the Company is not currently subject to, any investigation, audit or search and/or seizure by any revenue authority.
- 12.7 No relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, hold-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to the Company which could or might be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of the transaction contemplated under this Agreement and/or as a result of any act, omission, event or circumstance arising or occurring at or at any time before completion of the transaction contemplated under this Agreement.
- 12.8 No audit, investigation or other proceeding by a Governmental Authority is pending or being conducted with respect to: (i) any Taxes due from the Company or in relation to the filing of any Tax returns or failure to do so; or (ii) any lapse of the Company in respect of any pending proceedings under any Tax laws that have any adverse impact on the Company's ability to consummate the transactions contemplated herein or that has the effect of creating any charge or lien on any Securities or any assets of the Company in favour of a Governmental Authority.

### 13. Power of Attorney

- 13.1 There is no power of attorney or other authority in force by which a Person is able to bind, either any of the Founder Group with respect to the Company or, the Company.

### 14. Contracts and Commitments

- 14.1 Each contract entered into by the Company in relation to its Business has been duly authorised, executed and delivered by the Company and the respective counterparties in writing, and constitutes a valid and binding obligation of each party thereto, enforceable against each party thereto in accordance with its terms.
- 14.2 The Company is not in default of the performance, observance, or fulfilment of any of its obligations, covenants or conditions contained in contracts, nor has it received any notice of default in writing or requiring cure of any breach or termination from any counterparty under a contract. To the best of knowledge of the Company or the Founder Group, none of the counterparties to any of the material contracts are in default of the performance, observance, or fulfilment of any of their respective obligations, covenants or conditions contained in material contracts. No counterparty has indicated in writing any intention to terminate any such contract prior to the expiration of its term.
- 14.3 Other than: (a) the current Articles of the Company; and (b) the Transaction Documents, there are no agreements or understandings to which the Company is a party or by which it is bound which: (i) grants direct or indirect management, operational or voting rights or economic interest in the Company to any third Person including any power of attorney with respect to the foregoing; (ii) is a non-competition contract restricting in any way the business activities of the Company; (iii) was entered into outside of the ordinary course of business of the Company; (iv) provides for the sharing of the revenue of the Company with any third party or *inter se* amongst the Founder Group; (v) is a contract with any Person relating to the use of the assets of the Company; or (vi) is adverse to the Business or financial condition of the Company.
- 14.4 The Company is not a party to any contract, arrangement, or practice which in whole or in part materially contravenes or is invalidated by any restrictive trade practices, fair trade, consumer protection or similar applicable Law or in respect of which any filing, registration or notification is required pursuant to such applicable Laws or regulations (whether or not the same has in fact been made).
- 14.5 Documents/agreements relating to the material assets and properties executed by the Company and/or any Person on behalf of the Company are adequately and duly stamped and registered as required under applicable Law.
- 14.6 There are no known or to the knowledge of the Company, potential liabilities on account of liquidated damages payable by the Company under any of the contracts.
- 14.7 There are no year-end commissions, incentives, or discounts payable by the Company under any of the material contracts.
- 14.8 There are no other agreements or contractual obligations to which the Company or any of the Founder Group are a party, which are inconsistent with the provisions of this Agreement.



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## 15. Employees

- 15.1 There are no benefits that are being provided to the employees and/or the workers including deferred compensation agreement, incentive plan, profit sharing plan, retirement agreement or other employee compensation agreement.
- 15.2 All employee costs are reflected in the Accounts and no employee receives or is entitled to receive any compensation, salary, benefits, performance incentive from anyone other than the Company.
- 15.3 No loans and advances have been made by the Company to its respective employees or to the employees of its related parties.
- 15.4 The Company has no collective bargaining agreements, arrangements and other similar understanding with any trade union, staff association or other body representing the employees or workmen of the Company and no labour union has requested or sought to represent any employees, workmen, representatives, or agents of the Company. There have neither been any strikes or other labour disputes involving the Company nor are such strikes or similar actions pending or, threatened against the Company to the knowledge of the Company and the Founder Group.
- 15.5 Neither the Company nor the Founder Group are aware of any of the key managerial personnel of the Company intending to terminate her/his employment with the Company nor does the Company have an intention at present to terminate the employment of any key managerial personnel.
- 15.6 To the knowledge of the Company, none of the Company's employees or workers are obligated under any contract, or subject to any applicable Law, judgment, decree or order of any Governmental Authority that would interfere with the use of his or her best efforts to promote the interests of the Company or that would conflict with the Business.
- 15.7 The Company has, in relation to each of its employees/workers and (so far as relevant) to each of its former employees/workers engaged by the Company during the period of 12 (twelve) months prior to the Execution Date:
- (a) complied in all material respects with its obligations under relevant employment Laws relevant to its relations with each employee/ worker or the conditions of service of the employee/worker and has maintained adequate and suitable records regarding the service of the employee/worker;
  - (b) discharged or adequately provided for in all material respects its obligations to pay all salaries, wages, commissions, gratuity payments, provident fund payments, bonuses, overtime pay, holiday pay, sick pay, leave encashment and other benefits of or connected with employment up to the date of this Agreement; and
  - (c) complied in all material respects with all its obligations concerning the health and safety at work of each of the employees/worker and has not incurred any liability to any employee/worker in respect of any accident or injury, which is not fully covered by insurance.
- 15.8 Other than the agreements relating to the terms of employment, the Company warrants that there are no agreements, understandings between the Company and any of its key managerial personnel or Directors.
- 15.9 Other than the agreements relating to the terms of employment or consultancy, as applicable, the Company is not a party to any material contract with any current or former employee engaged by the Company during the period of 12 (twelve) months prior to the Execution Date, current or former director engaged by the Company during the period of 12 (twelve) months prior to the Execution Date or any current or former consultant engaged by the Company during the period of 12 (twelve) months prior to the Execution Date or in which any such Person as aforesaid is interested (whether directly or indirectly) nor are any such contracts, arrangements or understanding outstanding or in force.

## 16. Litigation

- 16.1 There are no actions, suits, claims, proceedings or investigations ("**Proceedings**") pending or to the knowledge of the Company and Founder Group threatened against the Company and/or the Founder Group at Law, in equity or otherwise, and whether civil or criminal in nature in, before, or by, any court, commission, arbitrator or Governmental Authority, and there are no outstanding judgments, decrees or orders ("**Orders**") of any such court, commission, arbitrator or Governmental Authority, including Proceedings or Orders which: (i) involve a challenge to, or seek to, or prohibit, prevent, restrain, restrict, delay, impair, prejudice, make illegal or otherwise interfere with the due and proper consummation of any of the transactions contemplated under the Transaction Documents; or (ii) seek



to impose conditions upon the ownership or operations of the Company or which affect the ability of Investors to invest in the Company.

- 16.2 No proceeding by or before any Governmental Authority involving the Company related to a violation or potential violation of Anti-Corruption Laws, is pending or to the knowledge of the Company, threatened. There is /has been, no claim, enquiry, investigation, action, suit or proceeding pending or, so far as the Company is aware, threatened by or against the Company before any court, arbitrator, regulator, or other governmental body, in connection with any violation or alleged violation of any anti-money laundering Laws, nor is the Company or the Founder Group aware of any circumstances which could give rise to any of the foregoing.
- 16.3 The Company is not involved whether as plaintiff or defendant or other party in any demand, claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry or arbitration and no such demand, claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry or arbitration is pending or to the knowledge of the Company and the Founder Group threatened against the Company (or any Person for whose acts or defaults the Company may be vicariously liable).

## 17. Properties

- 17.1 The Company does not own any immovable property.
- 17.2 Insofar as all the immovable properties used by the Company for the purpose of its Business are concerned, the usage thereof is as per applicable Law. All leases, tenancies, licenses and agreements of any nature to which the Company is a party are valid, binding and enforceable obligations of the respective parties thereto and the terms thereof have been materially complied with by the Company and there have occurred no grounds for rescission, avoidance or repudiation of any of the contracts or such leases, tenancies, licenses or agreements and no notice of termination or of intention to terminate has been received in writing in respect of any thereof. With respect to the properties and assets, which the Company has taken on lease, rent or leave and license, the Company is not in any material non-compliance with such leases, rental agreements, or licenses. There does not exist any mortgage, charge, pledge, lien, Encumbrance over all or any of the present or future revenues of the Company or any agreement in this regard. The Company is enjoying the right to quiet and peaceful possession of all of its immovable property and no notice of any disturbance of, or challenge to the Company's quiet and peaceful possession has been received in writing by the Company as on the Execution Date.
- 17.3 In relation to each of the assets owned or used by the Company, no notices, orders, proposals, applications or requests affecting or relating to any of such assets have been served or made by any authority on: (i) the Company; or (ii) the actual owners of the assets, and to the knowledge of the Company and the Founder Group there are no circumstances which are likely to result in, any notices being served or made.
- 17.4 All material records and information, belonging to the Company or relating to its Business (whether or not held in written form) are in the possession and under the direct control of the Company and subject to unrestricted access by it.
- 17.5 All assets of the Company including all debts due to the Company which are included in the audited financial accounts of the Company or have otherwise been represented as being the property of or due to the Company and/or being used by the Company for the purposes of their business are the absolute property of the Company, and/or is being leased to the Company.

## 18. Intellectual Property

- 18.1 The Company is the absolute owner, valid licensee, or authorized user (as the case may be) of the Intellectual Property necessary for its Business as is now being operated, as listed under the Disclosure Letter.
- 18.2 To the knowledge of the Company, the use of the Intellectual Property as is being used by the Company does not and will not infringe and/or breach or affect the intellectual property rights of any Person.
- 18.3 All rights in all Intellectual Property, confidential business information and trademarks owned or otherwise required for the Business as currently conducted are vested in or validly granted to the Company and to the knowledge of the Company, are not subject to any restriction and all renewal fees and steps required for their maintenance or protection have been paid and taken.
- 18.4 There are no legal proceedings including any litigation, arbitration, infringement and/or passing off actions filed against the Company and to the knowledge of the Company and the Founder Group no



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litigation, arbitration, infringement and/or passing off actions is proposed and/or threatened to be filed against the Company by any Person and the Company has not received any cease-and-desist notice so far and there are no circumstances under which a notice may be issued.

#### 19. Records and Corporate Matters

- 19.1 All accounts, books, statutory registers, and books including the minute books and register of members, Directors, charges, interested directors, financial, corporate, operations, sales, books of accounts, purchase records, list of major clients and service providers/suppliers, ledgers, and financial and all other records of the Company and all other documents, files, records, correspondence, financial or otherwise:
- (a) have been fully and properly maintained, are updated, and contain complete and accurate records in all material respects of all the matters required to be entered in them by applicable Law;
  - (b) do not contain or reflect any material inaccuracies or discrepancies and there is no fact which has been concealed or omitted from the books and records, which may, or be reasonably construed to, have a Material Adverse Effect;
  - (c) give a true and fair view in all material respects of the trading transactions, state of affairs, results, financial and contractual position and assets and liabilities of the Company;
  - (d) have been prepared in accordance with applicable accounting standards in the place of incorporation of the Company; and
  - (e) are in the possession (either by itself or through its registered agent) and unqualified Control of the Company.
- 19.2 Accurate and up to date copies of the Charter Documents or other constituent documents of the Company are in the possession of the Company (either by itself or through its registered agent).
- 19.3 The Company has been complying with all requirements of the Act and the Charter Documents for validly conducting the meetings of the Board and its members, and has duly reflected the proceedings of the meetings in the respective minutes.
- 19.4 All documents required to be filed with any Governmental Authority under any applicable Law have been duly filed, without delay, and without any liability in the event of the delay.

#### 20. Related Party Transactions

- 20.1 The Company has not entered into any contract, arrangements, agreements or transactions with any of the related parties.
- 20.2 There are no subsisting contracts or arrangements entered into by the Company which contravene Sections 185 or 188 of the Act.
- 20.3 The Company does not own, nor has agreed to acquire or dispose, any asset, nor is receiving or has agreed to receive or provide any services or facilities (including, without limitation, the benefit of any license or agreements), the consideration for the acquisition or provision of which was or will be in excess of its market value, or otherwise than on an arm's length basis.
- 20.4 No corporate guarantees have been issued by the Company for the benefit of any related parties and there are no reimbursement arrangements/agreements between the Company and any related parties in relation to corporate guarantees issued by such related parties for the benefit of the Company or otherwise.

#### 21. Information Technology Matters

- 21.1 The Company has not approved the use of any unauthorized Intellectual Property on its servers and has not hosted any content that may be deemed to be in breach of a third party's Intellectual Property, or which may be in violation of any applicable Law in India including but not limited to the Indian Penal Code, 1860, and the Information Technology Act, 2000.
- 21.2 The Company procures appropriate representations from its users and / or customers as to ownership and legality when allowing them to share data (including in the form of visual media) with the Company.
- 21.3 The Company is not aware of any content currently on its platform that would be deemed to be a breach of any applicable Law or a breach of a third party's Intellectual Property right.
- 21.4 The use of the computer systems by the Company and/or the Founder Group does not infringe the intellectual property rights of any third party.



- 21.5 All the records and systems (including but not limited to computer systems) and all data and information relating to the Company are recorded, stored, maintained, or operated or otherwise held by the Company.
- 21.6 The Company is licensed to use all software necessary to enable it to continue to use its computerised records for the foreseeable future in the same manner in which they have been used prior to the date of this Agreement.
- 21.7 The Company's information technology systems have not failed and the data which they process has not been corrupted. The Company's information technology systems do not contain viruses, bugs or things which distort their proper functioning, permit unauthorised access, or disable them without the consent of the user.

**22. Accuracy of Information**

- 22.1 All the information contained in this Agreement is true, complete, and accurate. All the information which has been given by or on behalf of the Company and/or the Founder Group to Investors (or to any director, representative, agent, or adviser of Investor) with respect to the Company is true and accurate in all respects and the Founder Group are not aware of any circumstances which could adversely affect what is set forth herein.

**23. Insurance**

- 23.1 All the material assets of the Company have been and are at the date of this Agreement adequately insured in accordance with the applicable industrial practices.
- 23.2 In respect of all such insurances relating to the Company or its assets taken by the Company: (i) all premiums have been duly paid to date; (ii) all the policies are in full force and effect and, no act, omission, misrepresentation or non-disclosure by or on behalf of the Company has occurred which makes any of these policies voidable, nor has there been any breach of the terms, conditions and warranties of any of the policies that would entitle insurers to decline to pay all or any part of any claim made under the policies; and (iii) no claim is outstanding and to the best knowledge of the Company no circumstances exist which are likely to give rise to any claim.

**24. Anti-Money Laundering**

- 24.1 The operations of the Company are and have been conducted at all times in compliance with applicable anti-money laundering Laws of all jurisdictions which the Company conducts business and which are applicable to the Company. No fine or penalty or other type of disciplinary action has been imposed or, so far as the Company is aware, threatened to be imposed, on the Company for any infringement of any Anti-Money Laundering Laws.

**25. Environmental Matters**

- 25.1 To the knowledge of the Company and the Founder Group, there are no material environmental non-compliances in respect of its Business and all approvals / permits / licenses required by the Company to conduct its Business are valid; and
- 25.2 The Company has not received nor is aware of (a) any existing or threatened complaint in writing, order, directive, claim, citation or notice from any environmental authority; or (b) any material written communication from any Person, in either case, concerning the failure of its operations to comply with any material environmental matter covered by applicable Law.

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