

महाराष्ट्र शासन  
GOVERNMENT OF MAHARASHTRA  
ई-सुरक्षित बँक व कोषागार पावती  
e-SECURED BANK & TREASURY RECEIPT (e-SBTR)

Bank/Branch: PNB/Lalbaug DADAR(0064)  
Pmt Txn id : 150222M666281  
Pmt DtTime : 15-02-2022@01:36:22  
ChallanIdNo: 03006172022021550111  
District : 7101/MUMBAI

Stationery No: 19345618434810  
Print DtTime: 15-02-2022@15:40:30  
GRAS GRN : MH013151509202122S  
Office Name : IGR182/BOM1\_MUMBAI CITY 1

StDuty Schm: 0030045501-75/Sale of Other NonJudicial Stamps SoS  
StDuty Amt : R 5,00,000/- (Rs Five, Zero Zero, Zero Zero Zero only)

RgnFee Schm:  
RgnFee Amt :

Article : 5(h) (B) (vi)/Agreement if not otherwise provided for  
Prop Mvblty: N.A  
Prop Descr : MUMBAI, Maharashtra  
Consideration: R 38,59,60,235/-

Duty Payer: (PAN-AADCH9716L) HONASA CONSUMER PRIVATE LIMITED  
Other Party: (PAN-AAACF8299H) FUSION COSMECEUTICS PVT LTD

Bank official1 Name & Signature

Bank official2 Name & Signature

--- Space for customer/office use --- Please write below this line ---



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GOVERNMENT OF MAHARASHTRA  
ई-सुरक्षित बँक व कोषागार पावती  
e-SECURED BANK & TREASURY RECEIPT (e-SBTR)

Bank/Branch: PNB/Lalbaug DADAR(0064)  
Pmt Trn id : 150222M669435  
Pmt DtTime : 15-02-2022@01:37:12  
ChallanIdNo: 03006172022021550120  
District : 7101/MUMBAI

Stationery No: 19345618302859  
Print DtTime: 15-02-2022@15:39:29  
GRAS GRN : MH013151521202122S  
Office Name : IGR182/BOM1\_MUMBAI CITY 1

StDuty Schm: 0030045501-75/Sale of Other NonJudicial Stamps SoS  
StDuty Amt : R 2,72,521/- (Rs Two, Seven Two, Five Two One only)

RgnFee Schm:  
RgnFee Amt :

Article : 5(h) (B) (vi)/Agreement if not otherwise provided for  
Prop Mvblty: N.A  
Prop Descr : MUMBAI, Maharashtra  
Consideration: R 1/-

Duty Payer: (PAN-AADCH9716L) HONASA CONSUMER PRIVATE LIMITED  
Other Party: (PAN-AAACF8299H) FUSION COSMECEUTICS PVT LTD

Bank official1 Name & Signature

Bank official2 Name & Signature

Space for customer/office use - - - Please write below this line - - -



**SHARE PURCHASE & SHARE SUBSCRIPTION AGREEMENT**

**HONASA CONSUMER PRIVATE LIMITED**

**(PURCHASER)**

**AND**

**FUSION COSMECEUTICS PRIVATE LIMITED**

**(COMPANY)**

**AND**

**THE PERSONS LISTED IN PART A OF SCHEDULE 1**

**(FOUNDERS)**

**AND**

**THE PERSONS LISTED IN PART B OF SCHEDULE 1**

**(OTHER INVESTORS)**

**FEBRUARY 17, 2022**

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*[Remainder of the page intentionally left blank]*

This Agreement is made on this, the 17<sup>th</sup> day of February, 2022 at Mumbai among:

1. **HONASA CONSUMER PRIVATE LIMITED**, a private limited company duly incorporated under the laws of India, with its registered office at 432, 4th Floor, Somdutt Chamber 2, Bhikaji Cama Place, New Delhi - 110066 (hereinafter referred to as "**Purchaser**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);
2. **THE PERSONS** listed in Part A of **Schedule 1** (individually referred to as "**Founder**" and collectively referred to as the "**Founders**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors-in-interest and permitted assigns);
3. **THE PERSONS** listed in Part B of **Schedule 1** (individually referred to as "**Other Investor**" and collectively referred to as the "**Other Investors**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors-in-interest and permitted assigns); and
4. **FUSION COSMECEUTICS PRIVATE LIMITED**, a company incorporated under the Companies Act, 1956 and having its registered office at 106 Maker Bhavan III, New Marine Lanes, Mumbai, Maharashtra, India, 400020, (hereinafter referred to as "**Company**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns).

*(Other Investors and the Founders are hereinafter individually referred to as a "Seller" and collectively as the "Sellers")*

*(The Purchaser, the Sellers and the Company are hereinafter individually referred to as a "Party" and collectively as the "Parties")*

#### **RECITALS:**

- A. The Company is engaged in the business of ideate, research, develop, test, market, promote through online advertising and content creation and retail dermatologically formulated consumer human skincare and haircare topical and ingestible cosmetic products for Indian skin distributed through direct to consumer and online and offline marketplace channels ("**Business**").
- B. The authorised share capital of the Company is INR 1,64,10,000 (Indian Rupees One Crore Sixty Four Lakhs Ten Thousand only) divided into 11,65,000 (Eleven Lakhs Sixty Five Thousand) Equity Shares and 4,76,000 (Four Lakhs Seventy Six Thousand) CCCPS.
- C. The issued and paid-up share capital of the Company is INR 1,37,33,510 (Indian Rupees One Crore Thirty Seven Lakhs Thirty Three Thousand Five Hundred and Ten) divided into 10,00,045 (Ten Lakhs and Forty Five) Equity Shares and 3,73,306 (Three Lakhs Seventy Three Thousand Three Hundred and Six) CCCPS.
- D. The Sellers are the registered, absolute legal and beneficial owners of the entire issued, subscribed and paid-up share capital of the Company. The shareholding pattern of the Company as of the

Execution Date is more particularly set out in Part A of schedule 2 (*Shareholding Pattern of the Company*).

- E. The Sellers have agreed to sell to the Purchaser and the Purchaser has agreed to purchase the Sale Shares (as defined below) from the Sellers on the terms and conditions set out in this Agreement. Simultaneously with the purchase of the Sale Shares, the Purchaser is also subscribing to the Subscription Shares (as defined below) in accordance with the terms and conditions set out in this Agreement.

## THE PARTIES AGREE AS FOLLOWS:

### 1. DEFINITIONS & INTERPRETATION

#### 1.1 Definitions

In addition to terms defined elsewhere in this Agreement, the terms set out in this clause 1.1 shall, when capitalised, have the meanings ascribed to them therein.

"**Accounts**" mean the unaudited financial statements of the Company, comprising of the balance sheet, profit and loss account and cash flow statement of the Company, prepared in accordance with Indian GAAP, along with the notes therein.

"**Accounts Date**" means 31 March 2021.

"**Affiliate**" means, in relation to a party which is:

- (a) an entity, any other person that, either directly or indirectly through one or more intermediate persons, controls, is controlled by or is under common control with such party. For purposes of this definition and this Agreement, "**control**" means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of any entity, whether through the ownership of voting securities, by contract or otherwise and the term "**controlled**" shall be construed accordingly. For the avoidance of doubt, a party would be understood to control any other person if such party owns 50 per cent. or more of the voting capital of such person; and
- (b) a Relative.

"**Agreement**" means this share purchase & share subscription agreement, as may be amended from time to time.

"**Aggregate Consideration**" means the collective reference to First Tranche Purchase Consideration and Subscription Consideration.

"**Anti-Bribery Law**" means all applicable Laws relating to bribery or corruption, including but not limited to: (i) the (Indian) Prevention of Corruption Act 1988; (ii) the United States Foreign Corrupt Practices Act of 1977; (iii) the U.K. Bribery Act 2010 and, where applicable, legislation enacted by member states and signatories implanting the OECD Convention Combating Bribery of Foreign

Officials; and (iv) any similar laws issued, administered, or enforced by a competent government authority in any applicable jurisdiction.

"**Anti-Money Laundering Law**" means all applicable Laws relating to anti-money laundering, including any financial record keeping and reporting requirements including but not limited to: (i) the Proceeds of Crime Act, Money Laundering Regulations, and Terrorism Act of the United Kingdom; (ii) the U.S. Bank Secrecy Act and USA Patriot Act of 2001; and (iii) any similar laws issued, administered, or enforced by a competent government authority in any applicable jurisdiction.

"**Articles**" mean the articles of association of the Company.

"**Assets**" mean assets or properties of every kind, nature, character and description (whether immovable, movable, tangible, intangible, absolute, accrued, fixed or otherwise), including cash, cash equivalents, receivables, real estate, plant and machinery, equipment, proprietary rights, raw materials, inventory, furniture, fixtures and insurance.

"**Big Four Firm**" shall mean KPMG, PricewaterhouseCoopers, Ernst & Young and Deloitte Touche Tohmatsu and/or their affiliates eligible to practice in India, as per Law.

"**Board**" means the board of directors of the Company.

"**Business Day**" means a day (excluding Saturdays and Sundays) on which banks in Mumbai, Gurugram and Delhi, India are generally open for the transaction of normal banking business.

"**Business Plan**" means the annual budget and business plan (which shall include, without limitation, projected earnings and cash flows, budgeted capital expenditures and operating expenses, sales strategy, marketing strategy, business development, brand positioning and key performance indicators) of the Company for the next 18 (eighteen) months.

"**CCCPS**" compulsorily cumulative convertible preference shares of INR 1 (Indian Rupee One) each, which shall have the terms as set out in the Shareholders Agreement.

"**Claim**" means a claim by a Purchaser Indemnified Party pursuant to clause 8.1.

"**Charter Documents**" shall mean Articles and memorandum of association of the Company.

"**Companies Act**" means the (Indian) Companies Act, 2013, as amended from time to time.

"**Completion**" means the collective reference to the First Tranche Completion and Second Tranche Completion.

"**Completion Date**" means the First Tranche Completion Date or the Second Tranche Completion Date, as the context may require.

"**Company Warranties**" mean the warranties given by the Warrantors pursuant to clause 7.1 of the Agreement, in the form set out in Part A of schedule 3.

"**Confidential Information**" has the meaning ascribed to it in clause 9.1.

"**Debt**" means all the current and non-current liabilities of the Company as on the First Tranche Completion Date including any debts arising on account of any term loans, asset financing and other over draft facilities.

"**Designated Account**" means the bank account of the Company as notified by the Company to the Purchaser prior to Closing.

"**Disclosure Letter**" means as of the Execution Date, together with the attachments thereto, addressed by the Warrantors to the Purchaser, disclosing exceptions to the Company Warranties, and shall include the Updated Disclosure Letter.

"**Dispute**" means any dispute, difference, controversy, or claim arising out of or relating to this Agreement including any question regarding its existence, validity or termination.

"**Encumbrance**" means any form of legal or equitable security interest, including but not limited to any mortgage, assignment of receivables, debenture, lien, charge, pledge, title retention, right to acquire, lease, sub-lease, license, voting agreement, security interest, hypothecation, option, right of first refusal, restrictions or limitation, purchase agreement, any preference arrangement (including title transfers and retention arrangements or otherwise) and any other encumbrance or similar condition whatsoever or an agreement to do any of the foregoing or any other arrangements having similar effect.

"**Equity Shares**" means the equity shares of the Company with a face value of INR 10 (Indian Rupees Ten) each.

"**Base Value**" means INR 28,59,60,235 (Indian Rupees Twenty Eight Crores Fifty Nine Lakhs Sixty Thousand Two Hundred and Thirty Five).

"**Excess Debt**" means the debt as on the First Tranche Completion Date in excess of the Net Debt, if applicable.

"**Execution Date**" means 17 February 2022, the date of execution of this Agreement.

"**Existing Lenders**" mean the creditors of the Company, more particularly set out in schedule 4.

"**FEMA**" shall mean Foreign Exchange Management Act, 1999, as amended from time to time.

"**Final Value**" means the amount determined by the following formula:

Final Value = Base Value – Excess Debt

"**Financial Year**" or "**FY**" shall mean the period commencing from April 1 of each calendar year and ending on March 31 of the immediately succeeding calendar year.

"**First Tranche Completion Date**" means the date on which the First Tranche Completion occurs.

"**First Tranche Sale Shares**" means the number of Sale Shares that each Seller shall transfer to the

Purchaser on the First Tranche Completion Date, as set out adjacent to the name of the Sellers in Part C of schedule 1.

"**First Tranche Purchase Consideration**" means the total purchase consideration to be paid by the Purchaser to the relevant Seller for the transfer of the First Tranche Sale Shares, computed as follows:

First Tranche Purchase Consideration = Final Value *divided by* Total number of Securities (on a Fully Diluted Basis) *multiplied by* First Tranche Sale Shares

"**Fundamental Warranties**" mean the warranties of the Warrantors as set out in paragraphs 1 and 2 of Part A- Company Warranties and Part B- Sellers' Warranties, as set out in schedule 3.

"**Governmental Authority**" means any government, any state or other political subdivision thereof, and includes any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, or any other Governmental Authority, agency, department, board, commission or instrumentality of India and/or any jurisdiction in which the Company conducts Business, or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental organisation, agency or authority.

"**Indian GAAP**" means the Indian generally accepted accounting principles and practices, applied on a consistent basis.

"**Indebtedness**" of any person means all indebtedness including (a) all obligations of such person for borrowed money or with respect to advances of any kind; and (b) all binding indemnities, guarantees and sureties by such person, whether in connection with such borrowing or advances or otherwise.

"**Intellectual Property**" means and includes the full rights to and full benefit of all patents, trade and other marks registered designs, copyrights, trade and business names, logos, marks, slogan, internet domain names (together with all goodwill associated with each of the foregoing), supply, distributorship, agency and other like agreements, inventions, discoveries, improvements, designs, techniques, rights in databases and documentation, computer programs, proprietary computer software and other confidential processes and information, trade secrets and Know-how, all other intellectual property rights and registrations, applications and renewals for any of those rights (where such registration, applications or renewals can be made) and any licenses in respect of any of the foregoing or in connection with any of the same.

"**IT Act**" means the Income Tax Act, 1961 to the extent notified, and as amended, modified or replaced from time to time by the Governmental Authority.

"**Key Employees**" means Aneesh Sheth, Ilesha Kharbanda and Prachi Tiwari.

"**Know-how**" means confidential industrial and confidential commercial information and techniques in any form, including drawings, formulae, test results, reports, project reports, and testing procedures, plans, instruction and training manuals, tables of operating conditions, market forecasts, lists and particulars of customers and suppliers.

"**Law(s)**" means all laws, ordinances, statutes, rules, orders, decrees, injunctions, licenses, permits, approvals, authorisations, consents, waivers, privileges, agreements and regulations of any

Governmental Authority having jurisdiction over the relevant matter as such are in effect as of the date hereof or as may be amended, modified, enacted or revoked from time to time hereafter.

"**Liabilities**" mean a demand, action or proceeding made or brought by or against a person, losses, liabilities, costs, taxes, damages, interests and penalties with respect thereto and out-of-pocket expenses, including attorneys' and accountants' fees and disbursements, however arising.

"**Long Stop Date**" means February 28, 2022, or any other date mutually agreed between the Founder and the Purchaser.

"**Losses**" mean all losses, Liabilities, costs (including reasonable legal costs and experts' and consultants' reasonable fees), charges, expenses, actions, proceedings, claims and demands but does not include any remote, consequential, indirect or incidental Losses arising out of or in connection with this Agreement.

"**Management Accounts**" means the true and complete copies of the unaudited Accounts for the period commencing from the Accounts Date and till the Management Accounts Date, duly certified by the Board.

"**Management Accounts Date**" means January 31, 2022.

"**Material Adverse Effect**" means an event, circumstance, change, effect, or occurrence which is materially adverse to the Business of the Company, financial condition, assets, liabilities of the Business or materially impairs the ability of the Sellers or the Company to perform its obligations under this Agreement or to consummate the transactions contemplated under this Agreement in accordance with the timelines specified in this Agreement.

"**Net Debt**" means the amount of INR 5,89,05,017 (Indian Rupees Five Crores Eighty Nine Lakhs Five Thousand and Seventeen) which is the amount equivalent to the existing debt of the Company less any cash & cash equivalents.

"**Net Revenue**" means the net revenue of the Company, as determined in accordance with Indian GAAP by a Big Four Firm, mutually acceptable to the Purchaser and the Founders.

"**NR Seller**" means Mr. Neil Mehta, resident in Singapore, holding Sale Shares as set out against his name in Part C of schedule 1.

"**Ordinary Course**" means the ordinary and usual course of the day-to-day business operations carried out by the Company, which is consistent with past practice, in accordance with Law and which does not require the authorization of the shareholders of the Company.

"**Other Sellers**" mean Aabhas Khanna and Seema Nikunj Shah, and "**Other Seller**" shall be construed accordingly.

"**Purchase Consideration**" means the aggregate sum of the First Tranche Purchase Consideration, and Second Tranche Purchase Consideration.

"**Purchaser Indemnified Party**" has the meaning ascribed to it clause 8.1.

"**Purchaser's Directors**" mean the directors nominated by the Purchaser, from time to time.

"**Purchaser's Warranties**" mean the warranties given by the Purchaser pursuant to clause 7.3 of the Agreement, as set out in schedule 5.

"**Related Party**" has the meaning ascribed to it under the Companies Act.

"**Relative**" has the meaning ascribed to it under the Companies Act.

"**Resigning Director(s)**" mean Mr. Ashit Shanichandra Sheth and Jay Mukund Thakker who will on the First Tranche Completion will resign from the Company and shall include Mr. Aneesh Sheth who will resign from the Company on the Second Tranche Completion.

"**Sale Shares**" mean the collective reference to the First Tranche Sale Shares and Second Tranche Sale Shares.

"**Second Tranche Completion Date**" means the date on which the Second Tranche Completion occurs.

"**Second Tranche Net Debt**" shall have the meaning ascribed to it in schedule 13.

"**Second Tranche Purchase Consideration**" means the consideration for the Second Tranche Sale Shares determined in accordance schedule 13, as determined by a Big Four Firm mutually acceptable to the Purchaser and the Founder.

"**Second Tranche Sale Shares**" means the number of Second Tranche Sale Shares that each Seller shall transfer to the Purchaser on the Second Tranche Completion Date, as set out adjacent to the name of the Sellers in Part D of schedule 1, as may be adjusted for any changes between the First Tranche Completion Date and the Second Tranche Completion Date.

"**Securities**" mean the equity capital, Equity Shares, membership interests or other ownership interests of the Company or any options, warrants, rights or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, such equity capital.

"**Sellers' Bank Account**" means the bank account of the Founders as set out in Part A of schedule 1 and for the Other Investors as set out adjacent to their respective names in Part B of schedule 1.

"**Sellers' Warranties**" mean the warranties given by the Sellers pursuant to Clause 7.2 of the Agreement, as set out in Part B of schedule 3.

"**Shareholders' Agreement**" shall mean the shareholders' agreement of the even date entered into between the Company, the Purchaser and the Founder.

"**Shareholders**" shall mean, from time to time, Persons in whose name shares are registered in the Company's register of members or in the records of the depository, collectively, and Shareholder means any one of such parties individually.

"**Specific Indemnity Items**" shall mean the indemnity items set out in schedule 11.

"**Subscription Consideration**" means an amount of approximately INR 10,00,00,000 (Indian Rupees Ten Crores) or such other consideration as may be mutually agreed between the Parties.

"**Subscription Price**" means the price per Subscription Share, which shall be determined basis the Final Valuation, and shall be the same price per Share as the First Tranche Purchase Consideration.

"**Subscription Shares**" mean the CCCPS that shall be subscribed by the Purchaser on the First Tranche Completion Date, which shall be computed as follows:

Subscription Shares = Subscription Consideration *divided by* Subscription Price.

"**Tax Authority**" means any Government Authority competent to impose any liability and/or exemption in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any Law in relation to Taxation.

"**Tax**" or "**Taxes**" or "**Taxation**" means any tax, cess and any duty, contribution, impost, withholding, levy or charge in the nature of tax, whether domestic or foreign, and any fine, penalty, surcharge or interest connected therewith and includes corporation tax, income tax (including income tax required to be deducted or withheld from or accounted for in respect of any payment), and social security contributions, capital gains tax, inheritance tax, goods and services tax, dividend distribution tax, fringe benefit tax, luxury tax, professional tax, customs excise and import duties, stamp duty, and governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or penalty thereon and additions thereto, imposed by any Tax Authority.

"**Tax Claim**" means a claim arising out of a Tax Event.

"**Tax Event**" means any of the following: (a) any notice, inquiry, writs, suits, recovery proceedings, claims or demands relating to Taxes actually imposed or made by the Tax Authorities against any Tax Indemnified Person in relation to any default by the Tax Indemnified Person in withholding Tax from the Purchase Consideration paid to the Sellers in relation to the purchase of First Tranche Sale Shares from the Sellers by the Purchaser in accordance with this Agreement; or (b) any amount levied upon or becoming recoverable from the Tax Indemnified Person in its capacity as a representative assessee under Section 163 of the IT Act for the Sellers in respect of the income earned by the Sellers on the sale of the First Tranche Sale Shares; or (c) any notice, inquiry, writs, suits, recovery proceedings, claims or demands made by the Tax Authorities against the Tax Indemnified Persons in relation to the sale of the First Tranche Sale Shares by the Sellers under Section 281 of the IT Act.

"**Tax Gain Computation**" means a letter to be issued by a chartered accountant (on its letterhead), in a form and manner to the reasonable satisfaction to the Purchaser, on reliance basis, stating the quantum of capital gains (along with computation of capital gains, applicable tax rate in accordance with the provisions of the IT Act and withholding tax amount to be deducted from the First Tranche Purchase Consideration) earned by the NR Seller and Other Sellers forming part of the First Tranche Sale Shares under the provisions of the IT Act.

"**Tax Indemnified Person**" shall mean the Purchaser, its directors and its 'Principal Officer(s)' as defined under Section 2(35) of the IT Act.

"**Transaction Documents**" mean this Agreement, Shareholders' Agreement together with any other documents executed by the Parties and identified as a Transaction Document.

"**Transaction**" means the sale of the Sale Shares by the Sellers to the Purchaser and subscription of the Subscription Shares by the Purchaser, together with all other transactions contemplated under this Agreement and any Transaction Document.

"**Updated Disclosure Letter**" means the updates to the Disclosure Letter to be made in accordance with clause 7.5 and 7.6.

"**Warranty (ies)**" means cumulatively the Company Warranties and the Sellers' Warranties given pursuant to clause 8.

"**Warrantors**" means the Company and the Founders jointly and severally.

## 1.2 Interpretation

In this Agreement, unless otherwise expressly specified, a reference to:

- (a) a document in the "**agreed terms**" is a reference to that document in the form approved and, for the purposes of identification, signed by or on behalf of each party;
- (b) "**includes**" and "**including**" mean including without limitation;
- (c) a "**party**" means a party to this Agreement and includes its permitted assignees (if any) and/or the successors in title to that part of its undertaking which includes this Agreement;
- (d) a "**person**" includes any person, individual, company, firm, corporation, partnership, limited liability company, government, state or agency of a state or any undertaking (whether or not having separate legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- (e) a "**statute**" or "**accounting standard**" or any of their provisions is to be construed as a reference to that statute or accounting standard or such provision as the same may have been amended or re-enacted before the Execution Date;
- (f) "**clauses**" or "**schedules**" are references to clauses and schedules to this Agreement;
- (g) "**writing**" includes any method of representing words in a legible form (other than writing on an electronic or visual display screen) or other writing in non-transitory form;
- (h) words denoting the singular include the plural and vice versa and words denoting any gender include all genders; and
- (i) the headings and sub-headings in this Agreement are included for information only and will not affect the construction of this Agreement.

- 1.3 The schedules form part of the operative provisions of this Agreement and references to this Agreement shall, unless the context otherwise requires, include references to the schedules.

## 2. **SUBSCRIPTION OF SUBSCRIPTION SHARES**

Subject to clause 4 and in accordance with other terms of this Agreement, the Purchaser, relying on the Warranties, undertakings and indemnities of the Warrantors as set out in this Agreement, has agreed to subscribe to the Subscription Shares for the Subscription Consideration, and the Company hereby agrees to allot and issue, free and clear of all Encumbrances, the Subscription Shares to the Purchaser at the Subscription Price. Following the subscription of the Subscription Shares by the Purchaser, the shareholding pattern of the Company will be as set out in Part C of schedule 2.

## 3. **SALE & PURCHASE OF SALE SHARES**

### 3.1 **Purchase of First Tranche Sale Shares**

Subject to clause 4 and in accordance with other terms of this Agreement, on the First Tranche Completion Date, the Purchaser relying on the Warranties, undertakings and indemnities of the Warrantors as set out in this Agreement, hereby agrees to purchase from the Sellers, and the Sellers agree to sell to the Purchaser, the First Tranche Sale Shares, free and clear of all Encumbrances and together with all the rights, title, interest and benefits appertaining to the First Tranche Sale Shares for which the Purchaser shall pay to the Sellers in the Sellers' Bank Accounts (as set out in Part A and Part B of schedule 1, to the extent applicable) the proportionate First Tranche Purchase Consideration (in the manner set out in Part A and Part B of schedule 1, to the extent applicable).

### 3.2 **Purchase of Second Tranche Sale Shares:**

Subject to clause 4 and in accordance with other terms of this Agreement, on the Second Tranche Completion Date, the Purchaser relying on the Warranties, undertakings and indemnities of the Warrantors as set out in this Agreement, hereby agrees to purchase from the Sellers, and the Sellers agree to sell to the Purchaser, the Second Tranche Sale Shares, free and clear of all Encumbrances and together with all the rights, title, interest and benefits appertaining to the Second Tranche Sale Shares for which the Purchaser shall pay the Second Tranche Purchase Consideration to the Sellers' Bank Accounts.

- 3.3 The total Purchase Consideration for such sale and purchase of the Sale Shares shall be the Purchase Consideration, to be satisfied in cash on Completion.

- 3.4 The First Tranche Purchase Consideration payable to the Sellers (except the NR Seller and Other Sellers) shall be made after deducting the withholding tax amount as computed in accordance with Section 194Q of the IT Act.

- 3.5 The First Tranche Purchase Consideration payable to the NR Seller and Other Sellers shall be made after deducting the withholding tax amount as set out in Tax Gain Computation.

#### 4. CONDITIONS

- 4.1 **Conditions to Completion.** The obligation of the Purchaser to purchase the Sale Shares from the Sellers and subscription to the Subscription Shares is subject to the fulfilment of the Conditions enlisted in schedule 6 ("**Conditions**"). Notwithstanding anything contained elsewhere in the Agreement, the Purchaser shall have the right at its sole discretion to waive any of the Conditions by notification to the Company and the Founders, to the extent the Condition can be waived under Law. The Purchaser may, in lieu of performance of any of the Conditions, require that such Conditions be treated as a post-closing actions (to the extent practicable) and are performed within such period after the First Tranche Completion as the Purchaser may direct.
- 4.2 Upon satisfaction of the Conditions to the First Tranche Completion as set out in schedule 6, the Founders and the Company shall promptly send a certificate in a form as set out in schedule 7 (*Form of CP Confirmation Certificate*) to the Purchaser along with the copies of necessary documents evidencing such fulfilment of the Conditions ("**CP Confirmation Certificate**"). The CP Confirmation Certificate shall also provide details of the Net Debt as on the date of the CP Confirmation Certificate and the estimated Net Debt as on the First Tranche Completion Date.
- 4.3 Within 7 (seven) Business Days of receipt of the CP Confirmation Certificate, the Purchaser shall deliver a written notice to the Company and the Founders either (i) confirming its satisfaction of the Conditions in the form set out in Part A of schedule 8 ("**CP Fulfilment Notice**"); or (ii) informing the Company and the Sellers that it is not satisfied with the CP Confirmation Certificate, along with the reasons for the same, and calling upon them to complete the remaining Conditions in the form set out in Part B of schedule 8 ("**CP Rejection Notice**"). If the Purchaser delivers a CP Rejection Notice, the process set out in clause 4.2 and clause 4.3 shall apply again until the Long Stop Date.
- 4.4 **Long Stop Date.** Subject to clause 4.1, the Founders and the Company shall ensure that the Conditions are completed to the satisfaction of the Purchaser at the earliest, and in all cases prior to the Long Stop Date, failing which, either Party shall have the option to terminate the Agreement as provided under clause 12.

#### 5. PERIOD PRIOR TO FIRST TRANCHE COMPLETION

- 5.1 Subject to clause 5.2, from the Execution Date and the First Tranche Completion Date, the Founders shall ensure that the Company shall:
- (a) operate its Business and carry out its activities in the Ordinary Course;
  - (b) preserve intact its relationships with its customers, suppliers, employees and other having business dealings with to ensure its goodwill and Business shall be unimpaired post Completion; and
  - (c) comply with each of the undertakings set out in Business is carried out in accordance with the matters specified in schedule 9.
- 5.2 Clause 5.1 shall not operate so as to restrict or prevent:

- (a) any matter contemplated in this Agreement or the other Transaction Documents;
  - (b) any matter undertaken at the written request, or with the written consent (not to be unreasonably withheld), of the Purchaser;
  - (c) any compliance required by Law or any Governmental Authority; and
  - (d) payment of any due and payable amount of, or in respect of, any Tax (in the Ordinary Course).
- 5.3 Subject to the Purchaser giving a written notice of at least 3 (three) Business Days to the Company and the Founders, the Company shall, and the Founders shall cause the Company to, provide the Purchaser and its officers, employees, agents, prospective financing sources, third party consultants and other advisors and representatives (subject to such person/entity agreeing to be bound by confidentiality obligations no less onerous than those contained in clause 9 (*Confidentiality*) with full access to (during regular business hours and upon reasonably agreed upon times):
- (a) the premises from which the Company carries on its Business;
  - (b) all documents, records, work papers and information (in electronic or other format) with respect to the Business, Assets, personnel, books, contracts, consents, licenses, approvals, correspondences with Governmental Authorities (to the extent permitted by Law), reports and records relating to the Business and performance of their obligations under this Agreement, as the Purchaser may request; and
  - (c) such other information as the Purchaser may reasonably request in relation to the Transaction.

## 6. COMPLETION

### 6.1 First Tranche Completion:

6.1.1 The consummation of the sale and purchase of the First Tranche Sale Shares (i.e., the “**First Tranche Completion**”) shall take place on the 7<sup>th</sup> (seventh) Business Day following the date of issuance of the CP Fulfilment Notice at such place or manner as may be jointly agreed between the Purchaser and the Founders, or such other date as may be mutually agreed between the Founders and the Purchaser. Unless otherwise agreed in writing by the parties, neither the Purchaser nor the Sellers shall be obliged to complete the transactions set out in this Agreement unless all actions contemplated under this clause 6.1 are completed simultaneously on the First Tranche Completion Date in accordance with the terms of this Agreement.

6.1.2 Immediately following the purchase of the First Tranche Sale Shares from the Sellers and the subscription of the Subscription Shares at First Tranche Completion, the shareholding pattern of the Company will be as set out in Part B of schedule 2.

### 6.1.3 On First Tranche Completion:

- (a) the Purchaser shall issue necessary payment instructions for the wire transfer of the Subscription Consideration to the Designated Account and provide a copy of such wire

- transfer instruction or an equivalent document to the Company;
- (b) the Purchaser shall remit the proportionate First Tranche Purchase Consideration (net of withholding Taxes) to the Sellers' Bank Account, in the manner provided in Part A and Part B of schedule 1, to the extent applicable;
  - (c) file Form 15CA/CB in relation to the transfer of the relevant portion of the First Tranche Purchase Consideration to the NR Seller and the Other Sellers;
  - (d) simultaneously with the remittance of the Subscription Consideration and the First Tranche Purchase Consideration, the Founders shall deliver the following documents to the Purchaser:
    - (i) delivery of resignation letter from the Resigning Director (in relation to the First Tranche Completion) of the Company;
    - (ii) a duly executed form SH-4 for transfer of the First Tranche Sale Shares along with the original certificates representing the First Tranche Sale Shares;
  - (e) the Company shall convene a meeting of the Board and adopt the necessary resolutions for:
    - (iii) allotment of the Subscription Shares to the Purchaser;
    - (iv) subject to approval of Shareholders, approving and adopting the amended and restated Articles;
    - (v) convening an extra-ordinary general meeting of the Shareholders at a shorter notice for undertaking the actions mentioned in clause 6.1.4 below;
    - (vi) taking on record the transfer of the First Tranche Sale Shares from the Sellers to the Purchaser;
    - (vii) entering the Purchaser's name in the register of members of the Company as the owner of the First Tranche Sale Shares and Subscription Shares;
    - (viii) appointing the Purchaser's Directors on the Board (as notified to the Company by the Purchaser prior to the First Tranche Completion Date) and recording the name of such Purchaser's Directors in the register of directors; and
    - (ix) taking on record the resignation of the Resigning Director (in relation to the First Tranche Completion) and recording the cessation of their directorships in the register of directors in accordance with the resignation letters provided under clause 6.1.3(d)(i).
  - (f) the Company shall file Form DIR-12 with the relevant Registrar of Companies, in relation to the resignation of the Resigning Director (in relation to the First Tranche Completion) and the appointment of the Purchaser's Directors;
  - (g) an authorized representative of the Company shall update the register of directors to include

the name of the Purchaser's Directors;

- (h) the Company shall deliver a certificate to the Purchaser confirming that no Material Adverse Effect has occurred;

6.1.4 The Company shall cause an extra-ordinary general meeting of the Shareholders to be held at a shorter notice on the First Tranche Completion Date, at which resolutions the following resolutions shall be passed:

- (a) approving the amendments to the Articles, and adopting the amended and restated Articles;  
and
- (b) regularizing the appointment of the Purchaser's Directors.

6.1.5 The obligations of each of the parties in this clause 6.1 are interdependent on each other. First Tranche Completion and shall not occur unless all of the obligations specified in this clause 6.1 are complied with and are fully effective. Notwithstanding the provisions of clause 6 hereto, all actions to be taken and all documents to be executed and delivered by the Parties hereunder at First Tranche Completion and the coming into effect on the First Tranche Completion Date of the Agreements and/or deeds and/or documents mentioned under this Agreement shall be deemed to have been taken and executed and to have come into effect simultaneously and no actions shall be deemed to have been taken nor documents executed or delivered and no agreements and/or deeds and/or documents shall be deemed to have come into effect on the First Tranche Completion Date until all such agreements, deeds, documents have been taken, executed, delivered and have come into effect.

## 6.2 **Second Tranche Completion:**

6.2.1 On completion of 18 (eighteen) months from the First Tranche Completion Date, the Company and the Founders shall deliver the Accounts for the period ending on the completion of 18 (eighteen) months from the First Tranche Completion Date, setting forth the Net Revenue. The Accounts setting forth the Net Revenue shall be delivered within 10 (ten) Business Days from the completion of 18 (eighteen) months from the First Tranche Completion Date. The consummation of the sale and purchase of the Second Tranche Sale Shares (i.e., the “**Second Tranche Completion**”) shall take place, no later than 20 (twenty) Business Days (“**Second Tranche Completion Date**”) from the date of receipt of Net Revenue and after all the Conditions Subsequent have been satisfied or waived (to the satisfaction of the Purchaser).

6.2.2 Immediately following the purchase of the Second Tranche Sale Shares, the shareholding pattern of the Company will be as set out in Part D of schedule 2.

6.2.3 The provisions of clause 6.1.3 above, to the extent relevant and applicable, shall apply mutatis mutandis to the Second Tranche Completion Date and the parties shall undertake the relevant actions to consummate the Transactions on the Second Tranche Completion Date.

## 6.3 **Conditions Subsequent**

6.3.1 Unless waived by the Purchaser in its sole discretion, the Company shall, and the Sellers shall cause the Company to, duly fulfil each of the conditions enumerated in schedule 10 to the satisfaction of the Purchaser as per the timelines prescribed for the fulfilment of such conditions.

6.3.2 Within the timelines prescribed under Applicable Laws, the Purchaser shall deposit the Tax amount withheld from the Purchase Consideration, and provide the Sellers appropriate documentation, including the necessary challans within 5 (five) days of the time limit prescribed to file necessary e-TDS returns for the quarter in which the First Tranche Completion and the Second Tranche Completion occurs.

## 7. **WARRANTIES**

7.1 Except as specifically disclosed to the Purchaser in the Disclosure Letter, the Warrantors jointly and severally represent to the Purchaser in terms of the Company Warranties is true, correct and accurate as of the Execution Date and will be true, complete, accurate and not misleading on the First Tranche Completion Date and the Second Tranche Completion Date.

- 7.2 Each Seller, on behalf of itself, hereby represents and warrants that each of the Seller Warranties is true, correct and accurate as of the Execution Date and will be true, complete, accurate and not misleading at Completion.
- 7.3 The Purchaser warrants to the Sellers in the terms of the Purchaser's Warranties that each of the Purchaser's Warranties is true, correct and accurate as of the Execution Date and will be true, complete, accurate and not misleading at Completion.
- 7.4 The Sellers acknowledge that, in entering into this Agreement, the Purchaser has relied upon the Warranties. Subject to clause 7.6 below, the Sellers shall not invoke the Purchaser's knowledge (whether actual, constructive or imputed) of any matter or thing as a defence to an indemnity claim, or a claim for damages, made by the Purchaser in respect of the Warranties. Subject to clause 7.6, the Purchaser will have the right to make a claim for breach of any Warranties whether or not it has, prior to date hereof, has or could have discovered (whether by any investigation made by it or on its behalf, into the affairs of the Company) that any Warranty is untrue, inaccurate or misleading.
- 7.5 The Warrantors shall be entitled to update the Disclosure Letter, 2 (two) days prior to the First Tranche Completion Date, for any event occurring between the Execution Date and the date of the Updated Disclosure Letter, provided any such updated disclosures must be agreeable to the Purchaser and shall not relate to Fundamental Warranties. If any such disclosures are not acceptable to the Purchaser, the Parties shall mutually discuss and agree on the mechanism to deal with such additional disclosures. If the Parties are unable to determine the manner in which such additional disclosures are to be dealt with within a period of 5 (five) Business Days from the delivery of the additional disclosures (or such extended period as may be agreed between the Parties), then either Party may terminate the Agreement.
- 7.6 The Warrantors shall be entitled to update the Disclosure Letter, 2 (two) days prior to the Second Tranche Completion Date, for any event occurring between the First Tranche Completion Date and the date of such Updated Disclosure Letter. Provided however, the Warrantors would not be required to disclose any matter in the Updated Disclosure Letter which are already in the knowledge of the Purchaser and/ or the Purchaser's Directors due to a discussion at the meeting of the Board or the Shareholders, and such matters shall be deemed to be disclosed for the purpose of such Updated Disclosure Letter.

## 8. INDEMNIFICATION

- 8.1 The Warrantors jointly and severally undertake to indemnify, defend and hold harmless (and keep at all times fully indemnified and harmless) the Company, the Purchaser, Purchaser's nominee and their officers, directors and employees (individually, a "**Purchaser Indemnified Party**" and, collectively, the "**Purchaser Indemnified Parties**") and shall pay (in accordance with the provisions hereof) to the Purchaser Indemnified Party an amount equal to, any and all Losses suffered or incurred by the Purchaser Indemnified Party as a result of:
- (a) any breach of the Company Warranties;
  - (b) any breach of the undertakings set out in schedule 9;

- (c) any Claim against the Purchaser Indemnified Parties arising due to fraud or gross negligence and wilful misconduct; and
- (d) the matters set out in schedule 11.

For avoidance of doubt it is clarified that the disclosures set out in the Disclosure Letter shall not qualify or limit the Fundamental Warranties or specific indemnity items set out in schedule 11.

- 8.2 Each Seller shall, severally but not jointly, indemnify and hold harmless the Purchaser Indemnified Party against, and shall pay in the manner provided herein, to the Purchaser an amount equal to, any and all Losses suffered or incurred by the Purchaser Indemnified Party as a result of any breach of a Seller's Warranty by that Seller or any obligation of such Seller under this Agreement.
- 8.3 For the purposes of seeking indemnification under this clause 8, the Parties agree that if the Company (post the First Tranche Completion Date) suffers or incurs any Loss arising out of or resulting from the matters set forth in this clause 8 then such Loss shall be deemed to be a Loss to the Purchaser, to the extent of the Purchaser's shareholding in the Company.
- 8.4 The rights of the Purchaser Indemnified Parties pursuant to this clause 8 shall be the sole monetary remedy in relation to the matters covered under this clause 8.
- 8.5 The obligations under this clause 8 shall be governed by, and subject to the provisions of schedule 12.

## 9. **CONFIDENTIALITY**

- 9.1 Each Party shall keep all information relating to the transactions contemplated under this Agreement and also in relation to the Company (including all information concerning the Business and financial arrangements relating to the Company) hereunder (collectively referred to as the "**Confidential Information**") confidential, and shall not without the prior written consent of the disclosing party, divulge the Confidential Information to any other person or use the Confidential Information other than for carrying out the purposes of this Agreement.
- 9.2 Nothing in clause 9.1 above shall restrict the Parties from disclosing Confidential Information for the following purposes:
  - (a) the disclosure or use is required by Law, or any recognised stock exchange on which the shares of any Party are listed or is required by any Governmental Authority having jurisdiction over either Party;
  - (b) the disclosure or use is required for the purpose of any judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement or the disclosure is required to be made to a Tax Authority in connection with the Tax affairs of the disclosing party;
  - (c) the disclosure is made to professional advisers or actual or potential financiers of any party on a need to know basis and on terms that such professional advisers or actual or potential

financiers undertake to comply with the provisions of clause 9.1 in respect of such information as if they were a party to this Agreement;

- (d) the information is or becomes publicly available (other than by breach of the of this Agreement); or
- (e) the other Party has given prior written approval to the disclosure or use.

## 10. NOTICES

- 10.1 All notices under this Agreement shall be written in English and shall be sent by hand or by courier or postal service (with delivery receipt) or by e-mail sent to the specified e-mail address of the applicable party, marked to the attention of designated person at the contact details indicated below or to such other address as a party shall designate by similarly giving notice to the other parties. Notwithstanding the foregoing, no notice shall be deemed to be duly served unless a copy of such notice is delivered by email as well.

**If to the Sellers:** As per the details mentioned in schedule 1.

### **If to the Company:**

Address: 106 Maker Bhavan III, New Marine Lanes, Mumbai, Maharashtra, India, 400020  
Attention: Mr. Aneesh Sheth  
Email: [aneesh@drsheths.com](mailto:aneesh@drsheths.com)

### **If to the Purchaser:**

Address: 4<sup>th</sup> Floor BLM tower, Plot no. 63, Sector 44, Gurgaon.  
Attention: Ramanpreet Sohi  
Email: [raman.s@mamaearth.in](mailto:raman.s@mamaearth.in)

- 10.2 A Party may change or supplement the addresses given above, or designate additional addresses, for purposes of clause 10.1, by giving the other Parties written notice of the new address in the manner set forth in this clause.
- 10.3 Any notice so served shall be deemed to have been duly given (i) in case of delivery by hand, when hand delivered to the other Party; or (ii) when delivered by courier or by any postal service that provides a receipt of delivery on the date contained in the delivery receipt that the sending Party receives from the delivery service provider; (iii) if sent by registered air mail, be deemed to be received by the addressee 4 (four) Business Days after the same is dispatched; and (iv) if sent by e-mail, 24 (twenty-four) hours after the e-mail is sent by a Party to the other Party at the specified e-mail addresses.

## 11. FEES AND EXPENSES

Each Party agrees that it shall bear by itself all costs and expenses incurred by it in connection with any discussions, negotiations and investigations undertaken in connection with the subject matter hereof, including without limitation costs and expenses associated with retention of financial, legal,

tax and other professional advisers. The stamp duty on the Agreement, transfer of the Sale Shares and subscription of Subscription Shares will be borne by the Purchaser. Provided however, that each Party will be responsible for bearing its own Taxes levied on its income.

## 12. TERMINATION

12.1 This Agreement shall be effective from the Execution Date and shall continue to be valid and in full force and effect, unless terminated earlier in accordance with clause 12.2 below.

12.2 This Agreement may be terminated:

(a) by mutual written consent of the Parties;

(b) by either Party, upon expiry of the Long Stop Date, in accordance with clause 4.4 above.

12.3 If this Agreement terminates in accordance with clause 12.2 above, then, the obligations of the Parties shall automatically terminate, save that the rights and liabilities of the Parties which have accrued prior to termination shall continue to subsist. The provisions of clauses 9 (*Confidentiality*), 10 (*Notices*), 12 (*Termination*), 13 (*Governing Law*), 14 (*Dispute Resolution*) and 15 (*Miscellaneous*) shall survive the termination of this Agreement.

## 13. GOVERNING LAW

13.1 This Agreement shall be governed by and construed in accordance with the substantive laws of India without giving effect to the principles of conflict of laws thereunder.

## 14. DISPUTE RESOLUTION

14.1 In case of any Dispute, the Parties shall attempt to first resolve such dispute through discussions between the senior executives of the parties. If the Dispute is not resolved through negotiation within 30 (thirty) days after one Party has served notice on the other Party, then the Dispute shall be resolved in accordance with the provisions of clause 14.2 below.

14.2 In the event that the Parties are unable to resolve a Dispute as provided in clause 14.1 above, the Dispute shall be referred to and finally resolved by arbitration in accordance with the Indian Arbitration and Conciliation Act, 1996. The arbitral tribunal shall consist of 3 (three) arbitrators, one to be appointed by the claimant, the second to be appointed by the respondent, and the third to be appointed by the 2 (two) arbitrators so appointed. It is hereby clarified that prior to the Completion, the Company and the Sellers shall at all times be considered to be one disputing party for the purposes of appointment of the arbitrators hereof.

14.3 All proceedings of such arbitration shall be in the English language. The venue of the arbitration shall be Delhi and the governing law of the arbitration shall be the laws of India. The costs of the arbitration shall be borne by the disputing parties equally, unless the arbitrators direct otherwise in their arbitral award.

## 15. MISCELLANEOUS

### 15.1 **No Partnership**

Nothing contained in this Agreement shall constitute or be deemed to constitute a partnership or association of persons between the Parties, and no Party shall hold himself out as an agent for the other party, except with the express prior written consent of the other Party.

### 15.2 **Remedies, Waivers, Amendments and Consents**

- (a) Unless otherwise provided for in this Agreement, no failure on the part of any Party to exercise, and no delay on its part in exercising, any right or remedy under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. Except as provided herein, the rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by Law.
- (b) Any provision of this Agreement may be amended only if all Parties hereto so agree in writing. Any waiver, and any consent by any of the parties under any provision of this Agreement, must be in writing and may be given subject to any conditions thought fit by the person giving that waiver or consent. Any waiver or consent shall be effective only in the instance and for the purpose for which it is given.

### 15.3 **Entire Agreement**

This Agreement (together with any other documents referred to herein or therein, including the Transaction Documents) constitutes the whole agreement between the Parties relating to the subject matter hereof and supersedes any prior agreements or understandings relating to such subject matter.

### 15.4 **Successors Bound**

This Agreement shall be binding on and shall inure for the benefit of the successors and assigns of each of the Parties hereto as specified in the title Clause of this Agreement.

### 15.5 **Severability**

Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such and in the event of any obligation or obligations being or becoming unenforceable in whole or in part. To the extent that any provision or provisions of this Agreement are unenforceable they shall be deemed to be deleted from this Agreement and any such deletion shall not affect the enforceability of the remainder of this Agreement not so deleted provided the fundamental terms of the Agreement are not altered.

### 15.6 **Counterparts**

This Agreement may be executed in one or more counterparts including counterparts transmitted by email or facsimile, each of which shall be deemed to be an original, but all of which signed and taken together, shall constitute one document.

#### 15.7 **Time and Duration**

- (a) Any date or period as set out in any clause of this Agreement may be extended with the written consent of the parties failing which, time shall be of the essence.
- (b) This Agreement shall take effect from the Execution Date and continue thereafter without limit in point of time till the Agreement is terminated in accordance with the provisions of this Agreement.

#### 15.8 **Good Faith**

Each Party hereto undertakes to do, in good faith, all things reasonably within its power which are necessary or desirable to give effect to the spirit and intent of this Agreement.

#### 15.9 **Independent Rights**

Each of the rights of the Parties hereto under this Agreement are independent, cumulative and without prejudice to all other rights available to them, and the exercise or non-exercise of any such rights shall not prejudice or constitute a waiver of any other right of the party, whether under this Agreement or otherwise.

#### 15.10 **Assignment**

Subject to the provisions of this Agreement, this Agreement is personal to the Parties and shall not be capable of assignment.

#### 15.11 **Invalidity**

Any provision of this Agreement which is found by any court or other Government Authority to be 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 portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

*[Remainder of the page intentionally left blank]*

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

For and on behalf of **Honasa Consumer Private Limited**



Name: Varun Singh  
Designation: Director

For HONASA CONSUMER PVT. LTD.

Director



IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Dinesh Vallabhdas Thakker

*Dv Thakker*

\_\_\_\_\_  
Name:

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By ACG Associated Capsules Pvt. Ltd.

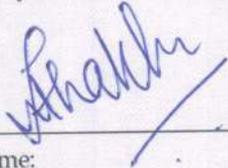
Chiplunkar

Name: Rahul Chiplunkar

Designation: Manager - Corporate Treasury

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Jay Mukund Vallabhdas Thakker

A handwritten signature in blue ink, appearing to read 'J. Thakker', is written over a horizontal line.

Name:

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Tanay Chandresh Thakker (Minor)

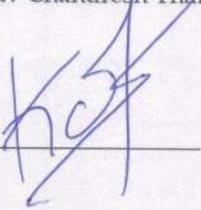
C. V. Thakker

Name:

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

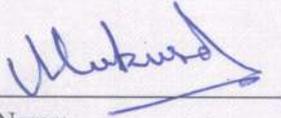
By Kanav Chandresh Thakker

Name: \_\_\_\_\_



IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Mukund Vallabhdas Thakker

A handwritten signature in blue ink, appearing to read 'Mukund', is written over a horizontal line. The signature is stylized and includes a long horizontal stroke extending to the right.

Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Shivanand Vassudev Salgaocar

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Seema Nikunj Shah

A handwritten signature in black ink, appearing to read 'S. Shah', written over a horizontal line.

Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Kishore Ganji

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Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Suneil Reddy

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Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Neil Mehta

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Darshan Kashi Deora

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Deep Lalvani

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Saujyot Consultancy LLP

\_\_\_\_\_  
Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Apurva Salarpuria

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By MAVM Angels Network Pvt. Ltd.

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Anisha Dossa

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Siddhant Bhambhani

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By zCon Solutions Pvt. Ltd.

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Vishwajeet Deshmukh

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Aabhas Khanna

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Narendra Sujan

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Sridhar Venkata Subramania Rallabandi

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Manisha Ashok Sujan

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Mahesh Kumar Jain HUF

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Bhushan Mahdukarrao Fuse

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Yogesh Chaudhary

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By UBR Investment Pvt. Ltd.

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Krish Khubchandani

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Mayank Dalmia

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Dominor Investment Holding LLP

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Sandhya Chaudhary

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Vinod Bamalwa

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Saurabh Bhogale

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Himanshu Goel

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Rahul Kayan

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Nityanand Bhogale

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By DPG Energy Ltd

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Name:

Designation:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Smriti Agarwal Gambhir

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Rajiv Indimath

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Utkarsh Singh

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Neha Aggarwal

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Chirag Punjabi

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Ashok Singh

\_\_\_\_\_  
Name:

**IN WITNESS** whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Yash Ghatalia

\_\_\_\_\_  
Name:

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Mr. Aneesh Sheth

A handwritten signature in blue ink, consisting of a stylized 'A' followed by a series of loops and a final flourish, positioned above a horizontal line.

IN WITNESS whereof the parties have executed this Agreement on the day and year first hereinbefore mentioned.

By Dr. Ashit Sheth

For FUSION COSMECEUTICS PVT. LTD.

A handwritten signature in black ink, appearing to read 'A. Sheth', is written over a horizontal line.

**DIRECTOR**

## SCHEDULE 1

### PART A

#### DETAILS OF THE FOUNDERS

Name	Address and E-mail	Bank	Account Number	IFSC Code	Approximate* Purchase Consideration
Mr. Aneesh Sheth	604 Monica Bldg, Fazal Road, Cuffe Parade, Mumbai 400095 <a href="mailto:aneesh@drsheths.com">aneesh@drsheths.com</a>	HDFC BANK	50100209702679	HDFC0000143	2,81,26,759
Dr. Ashit Sheth	604 Monica Bldg, Fazal Road, Cuffe Parade, Mumbai 400095 <a href="mailto:asheth1945@gmail.com">asheth1945@gmail.com</a>	BANK OF BARODA	04050200000282	BARB0MARINE	3,95,61,940

*\*The Purchase Consideration as set out against the name of each Seller is based on the Base Value and may undergo changes basis the mechanism set out in the Agreement.*

### PART B

#### DETAILS OF THE OTHER INVESTORS

S. No.	Name	Address	Email	Bank	Account Number	IFSC Code	Approximate* Purchase Consideration
1.	Dinesh Vallabhdas Thakker	86, Kamal; 69, Walkeshwar Road; Mumbai 400006	<a href="mailto:dineshthakker15@yahoo.co.in">dineshthakker15@yahoo.co.in</a>	Union Bank of India; Princess Street Branch	319102010006563	UBIN0531910	78,28,319
2.	ACG Associated Capsules Pvt. Ltd.	131 Kandivali Industrial Estate, Kandivali (West), Mumbai-400067	<a href="mailto:karan.singh@acg-world.com">karan.singh@acg-world.com</a> <a href="mailto:Anjali.dave@acg-world.com">Anjali.dave@acg-world.com</a> <a href="mailto:alok.ramachandran@acg-world.com">alok.ramachandran@acg-world.com</a> <a href="mailto:rahul.chiplunkar@acg-world.com">rahul.chiplunkar@acg-world.com</a>	Standard Chartered Bank	222-0-533282-6	SCBL0036084	57,56,262
3.	Jay Mukund Vallabhdas Thakker	71, Kamal; 69, Walkeshwar Road; Mumbai 400006	<a href="mailto:jaythakker9@gmail.com">jaythakker9@gmail.com</a>	Union Bank of India; Princess Street Branch	319102010075366	UBIN0531910	39,14,258

4.	Tanay Chandresh Thakker (Minor)	33 Monalisa; 10 Bomanji Petit Road; Mumbai 400026	<a href="mailto:tanaythakker@gmail.com">tanaythakker@gmail.com</a>	Union Bank of India; Princess Street Branch	319102010080186	UBIN0531910	39,14,258
5.	Kanav Chandresh Thakker	33 Monalisa; 10 Bomanji Petit Road; Mumbai 400026	<a href="mailto:kanav.thakker@gmail.com">kanav.thakker@gmail.com</a>	Union Bank of India; Princess Street Branch	319102010078374	UBIN0531910	36,84,007
6.	Mukund Vallabhdas Thakker	71, Kamal; 69, Walkeshwar Road; Mumbai 400006	<a href="mailto:cherylmukund@gmail.com">cherylmukund@gmail.com</a>	Union Bank of India; Princess Street Branch	319102010007405	UBIN0531910	36,84,007
7.	Shivanand Vassudev Salgaocar	Salgaocar House, Off Dr. F.L. Gomes Road, Vasco Da Gama, Goa-403802	<a href="mailto:swati@vmsbg.ao.com">swati@vmsbg.ao.com</a>	HDFC Bank Ltd	00721 0000 12205	HDFC0000072	34,53,757
8.	Seema Nikunj Shah	702, United Classic. Dr Peter Dias Road, Opp Mehboob Studio, Bandra West, Mumbai 400050	<a href="mailto:seemaxshah@gmail.com">seemaxshah@gmail.com</a>	HDFC Bank	50100149761850 (NRO Account)	HDFC0000546	34,53,757
9.	Kishore Ganji	Villa 15, Meenakshi Bamboos, Gachibowli, Hyderabad 500032	<a href="mailto:kishoreg@astirit.com">kishoreg@astirit.com</a> <a href="mailto:kishore@gmail.com">kishore@gmail.com</a> <a href="mailto:kishore@gmail.com">kishore@gmail.com</a>	HDFC Bank	02181510000690	HDFC0009095	34,53,757
10.	Suneil Reddy	H.No. 7-1-58, Amrutha Business Complex,, 3rd Floor, Opp. Lal Bunglow, Ameerpet, Hyderabad, Telangana, 500016, India.	<a href="mailto:suneil@vijayadiagnostic.in">suneil@vijayadiagnostic.in</a>	Axis Bank Ltd	917020022888524	UTIB0000008	34,53,757
11.	Neil Mehta	38 Dover Rise #07-02 Singapore 138684	<a href="mailto:nemehta@gmail.com">nemehta@gmail.com</a>	HDFC Bank	50100036058965 (NRO Savings Account)	HDFC0000567	34,53,559
12.	Darshan Kashi Deora	20 Anand Niwas, "A" Road, Churchgate, Mumbai - 400020, India	<a href="mailto:ddeora@gmail.com">ddeora@gmail.com</a>	HDFC Bank	05011600001395	HDFC0000501	28,78,131
13.	Deep Lalvani	Seagull Apartment, 4th Flr, Flat 41, M L Dhanukar Marg, 13 Carmichael Rd, Mumbai 400026	<a href="mailto:deeplalvani@adorians.com">deeplalvani@adorians.com</a>	IDBI	019014000079958	IBKL0000019	23,02,504
14.	Saujyot Consultancy LLP	First Floor, Matruchaya Building, Plot No. 27, Mitramandal Colony, Pune - 411009	<a href="mailto:haresh@hucosultancy.com">haresh@hucosultancy.com</a>	HDFC Bank	01048190000566	HDFC0000104	17,26,878
15.	Apurva Salarpuria	574, BLOCK - N, New Alipore, Kolkata - 700053	<a href="mailto:apurvasalarpuria@hotmail.com">apurvasalarpuria@hotmail.com</a>	Bank of Baroda	77780100001512	BARB0VJBRAB	17,26,878

16.	MAVM Angels Network Pvt. Ltd.	Mumbai Angels Network 301, Turf Estate, Shakti Mill Lane off to Dr E Moses Road, Mahalaxmi Mumbai 13	<a href="mailto:nandini@mbaiangels.com">nandini@mbaiangels.com</a>	HDFC Bank	50200020100451	HDFC0000163	13,23,940
17.	Anisha Dossa	101 Golden Rock, Perry Cross Road, Bandra (W)	<a href="mailto:siddhant.bhambhani@acg-world.com">siddhant.bhambhani@acg-world.com</a>	Kotak Mahindra Bank	2712112149	KKBK0000654	12,95,257
18.	Siddhant Bhambhani	101 Golden Rock, Perry Cross Road, Bandra (W)	<a href="mailto:siddhant.bhambhani@acg-world.com">siddhant.bhambhani@acg-world.com</a>	HDFC Bank	50100100895870	HDFC0000016	12,95,060
19.	zCon Solutions Pvt. Ltd.	Sr. No. 98, Plot No. 23, Right Bhusari Colony Paud Road, Kothrud Pune 411038	<a href="mailto:vikasb@zconsolutions.com">vikasb@zconsolutions.com</a>	Axis Bank	104010200006712	UTIB0000104	11,51,252
20.	Vishwajeet Deshmukh	House No 24, Mukund Society, Near API corner, N2, CIDCO, Aurangabad	<a href="mailto:vishwajeet.d@gmail.com">vishwajeet.d@gmail.com</a>	Axis Bank	91001003836368	UTIB0001608	11,51,252
21.	Aabhas Khanna	8C Soho189, 189 Queens Road West, Sai Ying Pun, Hong Kong	<a href="mailto:aabhaskhanna@hotmail.com">aabhaskhanna@hotmail.com</a> <a href="mailto:aabhaskhanna@gmail.com">aabhaskhanna@gmail.com</a>	HDFC Bank	50100329575270	HDFC0000593	11,51,252
22.	Narendra Sujan	2901, Tower A, Omkar 1973, Worli, Mumbai	<a href="mailto:nickysujan@sujangroup.com">nickysujan@sujangroup.com</a>	SBI	30126204056	SBIN0005343	11,51,252
23.	Sridhar Venkata Subramania Rallabandi	B 2503, My Home Bhooja, Hyderabad Knowledge City, Near Bio-Diversity Park, Madhapur, Hyderabad - 500032	<a href="mailto:rallabandisridhar@gmail.com">rallabandisridhar@gmail.com</a>	Axis Bank Ltd	004010100004839	UTIB0000427	11,51,252
24.	Manisha Ashok Sujan	2901, Tower a, Omkar 1973, Worli, Mumbai	<a href="mailto:nickysujan@sujangroup.com">nickysujan@sujangroup.com</a>	SBI	30126204056	SBIN0005343	11,51,252
25.	Mahesh Kumar Jain HUF	68, Kanakapura Road, Basavanagudi, Bangalore - 560004	<a href="mailto:mahesh@jainexim.com">mahesh@jainexim.com</a>	HDFC Bank	05091370000138	HDFC0000509	11,51,252
26.	Bhushan Mahdukarrao Fuse	Flat-4, Building B-8, Kendriya Vihar (3), Chs, Raigad, Sector - 11, Kharghar, Raigad, Maharashtra - 410210	<a href="mailto:bfhuse@gmail.com">bfhuse@gmail.com</a>	HDFC	50200024864389	HDFC0003650	8,05,876
27.	Yogesh Chaudhary	G-250, Riico Industrial Area, Mansarovar, Jaipur-302020	<a href="mailto:Yogesh@jaipurrugs.com">Yogesh@jaipurrugs.com</a>	Punjab national bank	2987000100075690	PUNB0298700	5,75,626

28.	UBR Investment Pvt. Ltd.	UBR Investments Pvt Ltd. A Block 8th Floor, Shivsagar Estate, Dr. A. B. Road Worli, Mumbai 400018.	<a href="mailto:binoy@ubrca.pital.com">binoy@ubrca.pital.com</a>	HDFC Bank Ltd	02402560002151	HDFC0000240	5,75,626
29.	Krish Khubchandani	601 Moru Milap, 15th Road, Opposite Khar Gymkhana Ground, Khar West, Mumbai 400052	<a href="mailto:krish@markintl.in">krish@markintl.in</a>	HDFC BANK	04901000019839	HDFC0000490	5,75,626
30.	Mayank Dalmia	Flat No 4151, Block 4-15th Floor Bangalore One Web (Phoenix) No. 1, Dr. Rajkumar Road, Rajajinagar, Opp. Sheraton Hotel, Bengaluru, Karnataka 560010."	<a href="mailto:mayank.dalmia@kahm.co">mayank.dalmia@kahm.co</a> , <a href="mailto:sunil.dahlan@kahm.co">sunil.dahlan@kahm.co</a>	IndusInd Bank Limited	100043534097	INDB0000015	5,75,626
31.	Dominor Investment Holding LLP	A-31, Hauz Khas, New Delhi - 110016	<a href="mailto:tushar@sara-intl.com">tushar@sara-intl.com</a>	HDFC Bank Ltd	13517630000559	HDFC0001351	5,75,626
32.	Sandhya Chaudhary	T- 12, 1601, The Close - South, Nirvana Country, Sec 49/50, Gurgaon - 122018	<a href="mailto:virtualsandhya@gmail.com">virtualsandhya@gmail.com</a>	ICICI Bank	004106503666	ICIC0000046	5,75,626
33.	Vinod Bamalwa	9/1 Lower Rawdon Street, Kolkata 20.	<a href="mailto:vinod@bamalwa.com">vinod@bamalwa.com</a> <a href="mailto:vbamalwa@gmail.com">vbamalwa@gmail.com</a>	Kotak Mahindra Bank	2913764833	KKBK0006590	5,75,626
34.	Saurabh Bhogale	Applied Innovation And Technology Group LLP, B5 Railway station MIDC, Aurangabad - 431001	<a href="mailto:saurabh.bhogale@umasons.com">saurabh.bhogale@umasons.com</a> <a href="mailto:saurabh.bhogale@aitg.co">saurabh.bhogale@aitg.co</a>	ICICI Bank	004401516933	ICIC0000044	5,75,626
35.	Himanshu Goel	404, Tower 2, The Palms, South City I, Gurgaon - 122001	<a href="mailto:h_goel@hotmail.com">h_goel@hotmail.com</a>	HSBC	054-037270-006	HSBC0110005	5,75,626
36.	Rahul Kayan	9/2, Hungerford Street, Kolkata - 700017	<a href="mailto:rkayan@gmail.com">rkayan@gmail.com</a>	HDFC Bank	00081330050708	HDFC0000008	5,75,626
37.	Nityanand Bhogale	Plot no. 21, Jay Nagar, Shahanoor Wadi Road, Aurangabad, Maharashtra - 431001	<a href="mailto:nityanand.bhogale@bhogaleauto.com">nityanand.bhogale@bhogaleauto.com</a>	HDFC Bank	01131000026594	HDFC0000113	5,75,626
38.	DPG Energy Ltd	Kusum Apartment, Flat 57, 11 Gurusaday Road, Kolkata 700019	<a href="mailto:vikram@dpgroup.com">vikram@dpgroup.com</a>	HDFC Bank	50200006032660	HDFC0000105	5,75,626

39.	Smriti Agarwal Gambhir	10-A, C3 Lane, Central Avenue, Sainik Farms, Delhi - 110062	<a href="mailto:smriti.aggrawal@gmail.com">smriti.aggrawal@gmail.com</a>	Kotak Mahindra Bank	5011955769	KKBBK0004593	2,30,250
40.	Rajiv Indimath	A 402 Rosa Royale, Bell Pepper Street, Opp Eden Supermarket, Hiranandani Estates, Thane 400607	<a href="mailto:rajiv.indimath@gmail.com">rajiv.indimath@gmail.com</a>	IndusInd Bank Private Limited	100028304873	INDB0000367	2,30,250
41.	Utkarsh Singh	H1701 Prateek Stylome Sector 45 Noida 201303	<a href="mailto:utkarshsingh007@hotmail.com">utkarshsingh007@hotmail.com</a>	HDFC Bank	50100038685945	HDFC0001664	1,15,125
42.	Neha Aggarwal	B-215 Saraswati Vihar, Pitampura, New Delhi - 110034	<a href="mailto:nehaagg7@gmail.com">nehaagg7@gmail.com</a>	HDFC Bank	1581140005231	HDFC0000158	1,15,125
43.	Chirag Punjabi	502, Moru Mahal, Dr. Ambedkar Road, Near Imppa House, Bandra (West), Mumbai-50	<a href="mailto:chiragpunjabi@gmail.com">chiragpunjabi@gmail.com</a>	Kotak Mahindra Bank	0811974286	KKBBK0000646	1,15,125
44.	Ashok Singh	F1403, Dhoot Time Residency, Near Paras Trinity, Sector 63, Gurgaon 1221012	<a href="mailto:ashok213@gmail.com">ashok213@gmail.com</a>	HDFC Bank	50100149168024	HDFC0004703	57,562
45.	Yash Ghatalia	AG Park, B wing, Flat no 303, Prabhat Colony, Santacruz East	<a href="mailto:yashghatalia@gmail.com">yashghatalia@gmail.com</a>	ICICI Bank	123101511562	ICIC0001231	57,562
		<b>Total</b>					<b>7,52,91,497</b>

*\*The Purchase Consideration as set out against the name of each Seller is based on the Base Value and may undergo changes basis the mechanism set out in the Agreement.*

**PART C**  
**DETAILS OF FIRST TRANCHE SALE SHARES**

S. No	Name of Seller	Sale Shares (Equity Shares)	Sale Shares (Preference Shares)	Total number of Sale Shares	Shareholding percent as on Execution Date (fully diluted basis)
1.	Aneesh Sheth	1,42,191	-	1,42,191	9.84%
2.	Dr. Ashit Sheth	2,00,000	-	2,00,000	13.83%
3.	Dinesh Vallabhdas Thakker	1	39,574	39,575	2.74%
4.	ACG Associated Capsules Pvt. Ltd.	5,821	23,279	29,100	2.01%
5.	Jay Mukund Vallabhdas Thakker	1	19,787	19,788	1.37%
6.	Tanay Chandresh Thakker (Minor)	1	19,787	19,788	1.37%
7.	Kanav Chandresh Thakker	1	18,623	18,624	1.29%
8.	Mukund Vallabhdas Thakker	1	18,623	18,624	1.29%
9.	Shivanand Vassudev Salgaocar	1	17,459	17,460	1.21%
10.	Seema Nikunj Shah	1	17,459	17,460	1.21%
11.	Kishore Ganji	1	17,459	17,460	1.21%
12.	Suneil Reddy	1	17,459	17,460	1.21%
13.	Neil Mehta	1	17,458	17,459	1.21%
14.	Darshan kashi Deora	1	14,549	14,550	1.01%
15.	Deep Lalvani	1	11,639	11,640	0.81%
16.	Saujyot Consultancy LLP	1	8,729	8,730	0.60%
17.	Apurva Salapurja	1	8,729	8,730	0.60%
18.	MAVM Angels Network Pvt. Ltd.	1	6,692	6,693	0.46%
19.	Anisha Dossa	729	5,819	6,548	0.45%
20.	Siddhant Bhambhani	728	5,819	6,547	0.45%
21.	zCon Solutions Pvt. Ltd.	1	5,819	5,820	0.40%
22.	Vishwajeet Deshmukh	1	5,819	5,820	0.40%
23.	Aabhas Khanna	1	5,819	5,820	0.40%
24.	Narendra Sujan	1	5,819	5,820	0.40%
25.	Sridhar Venkata Subramania Rallabandi	1	5,819	5,820	0.40%
26.	Manisha Ashok Sujan	1	5,819	5,820	0.40%
27.	Mahesh Kumar Jain HUF	1	5,819	5,820	0.40%
28.	Bhushan Mahdukarrao Fuse	1	4,073	4,074	0.28%
29.	Yogesh Chaudhary	1	2,909	2,910	0.20%
30.	UBR Investment Pvt. Ltd.	1	2,909	2,910	0.20%
31.	Krish Khubchandani	1	2,909	2,910	0.20%
32.	Mayank Dalmia	1	2,909	2,910	0.20%
33.	Dominor Investment Holding LLP	1	2,909	2,910	0.20%
34.	Sandhya Chaudhary	1	2,909	2,910	0.20%
35.	Vinod Bamalwa	1	2,909	2,910	0.20%
36.	Saurabh Bhogale	1	2,909	2,910	0.20%
37.	Himanshu Goel	1	2,909	2,910	0.20%
38.	Rahul Kayan	1	2,909	2,910	0.20%
39.	Nityanand Bhogale	1	2,909	2,910	0.20%

40.	DPG Energy Ltd	1	2,909	2,910	0.20%
41.	Smriti Agarwal Gambhir	1	1,163	1,164	0.08%
42.	Rajiv Indimath	1	1,163	1,164	0.08%
43.	Utkarsh Singh	1	581	582	0.04%
44.	Neha Aggarwal	1	581	582	0.04%
45.	Chirag Punjabi	1	581	582	0.04%
46.	Ashok Singh	1	290	291	0.02%
47.	Yash Ghatalia	1	290	291	0.02%
	<b>Total</b>	<b>3,49,511</b>	<b>3,73,306</b>	<b>7,22,817</b>	<b>50.00%</b>

**PART D**  
**DETAILS OF SECOND TRANCHE SALE SHARES**

S. No	Name of Seller	Sale Shares (Equity Shares)	Total number of Sale Shares	Shareholding percent (fully diluted basis)
1.	Aneesh Sheth	6,50,534	6,50,534	33.34%

*[Remainder of the page intentionally left blank]*

## SCHEDULE 2

### SHAREHOLDING PATTERN OF THE COMPANY

#### PART A - AS ON EXECUTION DATE

S. No	Name of Seller (as in bank records)	Number of Equity Shares held	Number of Preference Shares held	Total Shares held (including ESOP Pool)	Shareholding percent (fully diluted basis)
1.	Aneesh Sheth	7,92,725	-	7,92,725	54.84%
2.	Dr. Ashit Sheth	2,00,000	-	2,00,000	13.83%
3.	ESOP Pool	-	-	72,282	5.00%
4.	Dinesh Vallabhdas Thakker	1	39,574	39,575	2.74%
5.	ACG Associated Capsules Pvt. Ltd.	5,821	23,279	29,100	2.01%
6.	Jay Mukund Vallabhdas Thakker	1	19,787	19,788	1.37%
7.	Tanay Chandresh Thakker (Minor)	1	19,787	19,788	1.37%
8.	Kanav Chandresh Thakker	1	18,623	18,624	1.29%
9.	Mukund Vallabhdas Thakker	1	18,623	18,624	1.29%
10.	Shivanand Vassudev Salgaocar	1	17,459	17,460	1.21%
11.	Seema Nikunj Shah	1	17,459	17,460	1.21%
12.	Kishore Ganji	1	17,459	17,460	1.21%
13.	Suneil Reddy	1	17,459	17,460	1.21%
14.	Neil Mehta	1	17,458	17,459	1.21%
15.	Darshan kashi Deora	1	14,549	14,550	1.01%
16.	Deep Lalvani	1	11,639	11,640	0.81%
17.	Saujyot Consutancy LLP	1	8,729	8,730	0.60%
18.	Apurva Salapurua	1	8,729	8,730	0.60%
19.	MAVM Angels Network Pvt. Ltd.	1	6,692	6,693	0.46%
20.	Anisha Dossa	729	5,819	6,548	0.45%
21.	Siddhant Bhambhani	728	5,819	6,547	0.45%
22.	zCon Solutions Pvt. Ltd.	1	5,819	5,820	0.40%
23.	Vishwajeet Deshmukh	1	5,819	5,820	0.40%
24.	Aabhas Khanna	1	5,819	5,820	0.40%
25.	Narendra Sujan	1	5,819	5,820	0.40%
26.	Sridhar Venkata Subramania Rallabandi	1	5,819	5,820	0.40%
27.	Manisha Ashok Sujan	1	5,819	5,820	0.40%
28.	Mahesh Kumar Jain HUF	1	5,819	5,820	0.40%
29.	Bhushan Mahdukarrao Fuse	1	4,073	4,074	0.28%
30.	Yogesh Chaudhary	1	2,909	2,910	0.20%
31.	UBR Investment Pvt. Ltd.	1	2,909	2,910	0.20%
32.	Krish Khubchandani	1	2,909	2,910	0.20%
33.	Mayank Dalmia	1	2,909	2,910	0.20%
34.	Dominor Investment Holding LLP	1	2,909	2,910	0.20%
35.	Sandhya Chaudhary	1	2,909	2,910	0.20%
36.	Vinod Bamalwa	1	2,909	2,910	0.20%

37.	Saurabh Bhogale	1	2,909	2,910	0.20%
38.	Himanshu Goel	1	2,909	2,910	0.20%
39.	Rahul Kayan	1	2,909	2,910	0.20%
40.	Nityanand Bhogale	1	2,909	2,910	0.20%
41.	DPG Energy Ltd	1	2,909	2,910	0.20%
42.	Smriti Agarwal Gambhir	1	1,163	1,164	0.08%
43.	Rajiv Indimath	1	1,163	1,164	0.08%
44.	Utkarsh Singh	1	581	582	0.04%
45.	Neha Aggarwal	1	581	582	0.04%
46.	Chirag Punjabi	1	581	582	0.04%
47.	Ashok Singh	1	290	291	0.02%
48.	Yash Ghatalia	1	290	291	0.02%
	<b>Total</b>	<b>10,00,045</b>	<b>3,73,306</b>	<b>14,45,633</b>	

#### **PART B - AS ON FIRST TRANCHE COMPLETION DATE (WITHOUT SUBSCRIPTION SHARES)**

S. No	Name	Number of Equity Shares held	Number of Preference Shares held	Total Shares held	Shareholding percent (fully diluted basis)
1.	Aneesh Sheth	6,50,534	-	6,50,534	44.99%
2.	ESOP	-	-	72,282	5.01%
3.	Honasa Consumer Private Limited	3,49,511	3,73,306	7,22,817	50.00%
	<b>Total</b>	<b>10,00,045</b>	<b>3,73,306</b>	<b>14,45,633</b>	<b>100%</b>

#### **PART C - AS ON FIRST TRANCHE COMPLETION DATE (WITH SUBSCRIPTION SHARES)**

S. No	Name	Number of Equity Shares held	Number of Preference Shares held	Number of Subscription Shares (CCPS) held	Total Shares held (including ESOP Pool)	Shareholding percent (fully diluted basis)
1.	Aneesh Sheth	6,50,534	-	-	6,50,534	33.34%
2.	ESOP Pool	-	-	-	72,282	3.70%
3.	Honasa Consumer Private Limited	3,49,511	3,73,306	505,536*	12,28,353	62.96%
	<b>Total</b>	<b>10,00,045</b>	<b>3,73,306</b>	<b>505,536</b>	<b>19,51,169</b>	<b>100%</b>

\* The number of Subscription Shares has been calculated as per the Subscription Price of INR 198 (Indian Rupees One Hundred Ninety Eight), however, this number may undergo change depending on the Net Debt position of the Company as on the First Tranche Completion Date.

#### **PART D - AS ON SECOND TRANCHE COMPLETION DATE**

S. No	Name	Number of Equity Shares held	Number of Preference Shares held	Number of Subscription Shares (CCPS) held	Total Shares held	Shareholding percent (fully diluted basis)
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1.	Honasa Consumer Private Limited	10,00,045	3,73,306	505,536*	18,78,887	96.3%
2.	ESOP Pool				72,282	3.70%
3.	<b>Total</b>	<b>10,00,045</b>	<b>3,73,306</b>	<b>505,536</b>	<b>19,51,169</b>	<b>100%</b>

\* The number of Subscription Shares has been calculated as per the Subscription Price of INR 198 (Indian Rupees One Hundred Ninety Eight), however, this number may undergo change depending on the Net Debt position of the Company as on the First Tranche Completion Date.

## SCHEDULE 3

### PART A

#### COMPANY WARRANTIES

#### 1. CAPACITY

##### 1.1 Authorisations

- (a) The Company has obtained all corporate authorisations and (other than to the extent relevant to the Conditions) all other governmental, statutory, regulatory or other consents, licences, authorisations, waivers or exemptions required to empower it to enter into and perform its obligations under this Agreement and any other Transaction Document to which it is a party.
- (b) Entry into and performance by the Company and/or any Transaction Document to which it is a party will not: (i) breach any provision of its Charter Documents; (ii) (subject to fulfilment of the Conditions) result in a breach of any Laws in its jurisdiction of incorporation or of any order, decree or judgment of any court or any Governmental Authority; (iii) result in a breach of, or constitute a default under, any contract to which it is a party or by which it or its properties or assets is bound, or result in the acceleration of any obligation under any Indebtedness; or (iv) give any third party a right to terminate or modify, or result in the creation of any Encumbrance under, any agreement, license, document, instrument or obligation, which is binding upon any Company.
- (c) Each Transaction Document will, when executed, constitute valid and binding obligations of the Company that is a party thereto, enforceable against the Company in accordance with its terms.
- (d) No consent, approval, order or authorisation of, or registration, qualification, designation, declaration or filing with, any Governmental Authority, any other competent corporate regulatory authority or any other person is required by the Company in connection with the execution, delivery and performance by such party of any of the Transaction Documents or the completion of the transactions contemplated in any of the Transaction Documents.
- (e) No bankruptcy order has been made or petition presented against the Company, and, to the knowledge of the Company or the Founder, as the case may be, no person has threatened to present such an order or petition.
- (f) All organisational documents, minute books, statutory books and registers of the Company required to be kept in accordance with applicable Laws are up-to-date and have been maintained in accordance with all such applicable Laws and relevant secretarial practices on a proper and consistent basis and comprise complete and accurate records of all information required to be recorded (other than minor inadvertent errors).

#### 2. THE SUBSCRIPTION SHARES, SALE SHARES AND SHARE CAPITAL OF THE COMPANY

- (a) The authorised, issued and paid up share capital of the Company, as on Execution Date is as follows:

**Authorised Capital.** The authorised share capital of the Company is INR 1,64,10,000 (Indian Rupees

One Crore Sixty Four Lakhs Ten Thousand only) divided into 11,65,000 (Eleven Lakhs Sixty Five Thousand) Equity Shares and 4,76,000 (Four Lakhs Seventy Six Thousand) CCCPS.

**Issued, Subscribed and Paid-Up Share Capital.** The issued and paid up capitalisation of the Company as on the Execution Date and as on Closing Date is INR 1,37,33,510 (Indian Rupees One Crore Thirty Seven Lakhs Thirty Three Thousand Five Hundred and Ten) divided into 10,00,045 (Ten Lakhs and Forty Five) Equity Shares and 3,73,306 (Three Lakhs Seventy Three Thousand Three Hundred and Six) CCCPS.

- (b) The Company has not bought back, repaid or redeemed or agreed to buy-back, repay or redeem any of its Shares or otherwise reduced or agreed to reduce its share capital or purchased any of its Shares or carried out any transaction having the effect of a buy-back or reduction of capital.
- (c) As on the Execution Date, there are no other share capital, pre-emptive rights, convertible securities, outstanding warrants, options or other rights to subscribe for, purchase or acquire from the Company any share capital of the Company and there is no share application money pending for allotment and are no contracts or binding commitments or understandings, oral or in writing, providing for the issuance of, or the granting of rights to acquire, any share capital of the Company or under which the Company is, or may become, obligated to issue any of its securities or any Shares.
- (d) Each allotment and transfer of Shares has been made in compliance with all the applicable Law, and all corporate action required to be performed by the Company under all applicable Law have been performed.
- (e) The Company does not have any existing stock option or securities plan for grant, offer, allotment or vesting of any Shares or securities of the Company.
- (f) The Business being carried on by the Company is of a nature in which foreign direct investment of 100% (One Hundred Per Cent) under the automatic route is permitted under the Law.
- (g) The issue and allotment of the Subscription Shares along with the execution, delivery and the performance, by the Company of this Agreement are each in accordance with applicable Laws, including but without limitation, the Laws governing or regulating foreign direct investment in Indian companies and is, under the 'automatic route' for foreign investments under FEMA (including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended) read with the extant foreign direct investment policy of the Government of India.
- (h) The issuance of Subscription Shares in terms hereof on the First Tranche Completion Date shall result in the vesting of the title and ownership of the Subscription Shares with the Purchaser free from any Encumbrance and immediately upon completion of such vesting, the Purchaser shall have valid and marketable title to and shall be the sole owner of the Subscription Shares.
- (i) All the Subscription Shares shall be duly authorized, non-assessable, legally and validly issued and allotted and fully paid up on the First Tranche Completion Date.
- (j) The Subscription Shares are convertible into, or otherwise exercisable or exchangeable for fully paid up Equity Shares in accordance with the terms thereof, which Equity Shares shall rank pari passu with other issued and outstanding equity shares of the Company at any time.

- (k) The Company has not, nor has anyone on its behalf done, committed or omitted any act, deed, matter or thing whereby the Subscription Shares can be forfeited, extinguished or rendered void or voidable after their issuance on the First Tranche Completion Date. The Company has not nor anyone acting on its behalf has entered into, or arrived at any agreement and, or, arrangement in writing with any Person in respect of the Subscription Shares, which will render the issuance of the Subscription Shares in violation of such agreements.

### 3. SOLVENCY

- (a) No liquidator, receiver, administrator or resolution professional has been appointed in respect of the whole or any part of the Assets or undertakings of the Company.
- (b) No order has been made and no resolution has been passed for the winding up of the Company.
- (c) No action, suit, proceeding or investigation has been received/ filed or has been threatened in writing, nor any order been made for winding up, receivership, bankruptcy, reorganisation, composition or arrangement with creditors, voluntary or involuntary, or for appointment of an administrator/receiver in respect of the Company.
- (d) The Company is not insolvent within the meaning of applicable Law or unable to pay its debts as they become due and has not stopped paying its respective debts as they fall due.
- (e) No voluntary arrangement, compromise or similar arrangement with creditors has been proposed, agreed or sanctioned in respect of the Company and no meeting in respect of the same has been convened. The Company has not entered into any compromise or arrangement with its creditors or any class of its creditors generally.
- (f) The Company has not received any written notice and is not aware of any action relating to any insolvency resolution process, constitution of committee of creditors, approval of resolution plan, administration order being made, or a petition or application being presented for such an order and or documents having been filed with the court /tribunal for the appointment of an administrator, and no notice or written communication of intention to appoint an administrator has been received by the Company.

### 4. ASSETS

- (a) There are no other Encumbrances, nor has the Company agreed to create any Encumbrances, over any Assets and the Assets used by the Company are legally and beneficially owned by the Company; and where capable of possession, is in the possession of the Company.
- (b) All the Assets of the Company have been properly maintained and are in normal operating condition consistent with industry standards and are not dangerous, obsolete, inefficient or in need of renewal or replacement.

- (c) No notices, orders, proposals, applications or requests affecting or relating to any of the Assets have been served or made by any Governmental Authority on the Company and there are no circumstances which are likely to result in, any being served or made.
- (d) The Company has valid, clear and marketable title to and/or the right to use all its Assets and has not granted its Assets on lease or license.

## 5. ACCOUNTS

### 5.1 The Accounts:

- (a) have been prepared in accordance with Indian GAAP and as per Law;
- (b) fairly present the state of affairs of the Company; and
- (c) present a fair and accurate view of:
  - (i) the financial condition, cash flows, profits and / or losses and the financial position of the Company; and
  - (ii) assets and liabilities (including reserves and Indebtedness) of the Company.

5.2 The Management Accounts: The Management Accounts for period ended after the Accounts Date were properly prepared using accounting policies consistent with those adopted in the preparation of the Accounts.

5.3 On the basis of the accounting bases, practices and policies used in their preparation and having regard to the purpose for which they were prepared:

- (a) the Management Accounts are not misleading;
- (b) the Management Accounts do not over-state the value of the assets nor under-state the liabilities of the Company; and
- (c) the Management Accounts do not over-state the profits or under-state the losses of the Company and the Group

5.4 Position since the Accounts Date: Since the Accounts Date:

- (a) the Company has carried on its business in the Ordinary Course, and the Company has not made or agreed to make any payment other than routine payments in the ordinary and usual course of business;
- (b) the Company has not issued or agreed to issue any share or loan capital or other similar interest to an entity or person;
- (c) the Company has not entered into any contract, liability or commitment (whether in respect of capital expenditure or otherwise) which:

- (i) is not in the Ordinary Course and which cannot be performed within its terms within six (6) months after the date on which it was entered into or cannot be terminated on less than six (6) months' notice; or
  - (ii) involved or may involve expenditure of more than INR 20,00,000 (Indian Rupees Twenty Lakhs) or an obligation of a material nature or magnitude.
- (d) The Company has not acquired or disposed of, or agreed to acquire or dispose of, any one or more assets in a single transaction or series of connected transactions, where the value of such asset, exceeds INR 10,00,000 (Indian Rupees Ten Lakhs);
- (e) The Company has not made any changes in terms of employment, including pension fund commitments but excluding any annual increments in salary in accordance with the terms of employment with any present or prospective employees contractor or director whose annual compensation exceeds INR 15,00,000 (Indian Rupees Fifteen Lakhs);
- (f) the Company has not repaid any borrowing or indebtedness in advance of its stated maturity;
- (g) the Company has not declared, authorised, paid or made any dividend or other distribution, nor has any Group Company reduced its paid-up share capital; and
- 5.5 No undisclosed liabilities: There are no actual or contingent liabilities of the Company (whether or not those liabilities are required to be disclosed or provided for in accordance with generally accepted accounting principle except for: (i) liabilities disclosed or provided for in the Accounts or the Management Accounts; or (ii) liabilities disclosed pursuant to this Agreement.
- 5.6 Procedures: The Company has established procedures which provide a reasonable basis for the directors and officers of the Company to make proper judgments as to the financial position and prospects of the Company and the Company maintains a system of internal financial and accounting controls sufficient to provide assurance that transactions are recorded as necessary to permit preparation of complete and accurate accounting records, preparation of Accounts that fairly present the state of affairs, financial condition, results of operations and cash flows of the Company.
- 5.7 Up-to-date statutory books: All such statutory books, books of account and other records are in the possession or under the control of the Company together with all documents of title and executed copies of all existing agreements which are necessary for the proper conduct of its business and to which the Company is a party.
- 5.8 Accounts payable: All accounts payable of the Company has arisen in the ordinary course of business. All items which are required by accounting principles, standards and practices generally accepted at the date of this agreement to be reflected as payables in the Accounts and the Management Accounts and on the books and records of the Company are so reflected and have been recorded in accordance with such accounting principles, standards and practices and in a commercially reasonable manner. Since the Accounts Date, there has been no delinquency of accounts payable of the Group Companies.

5.9 Accounts receivable: All accounts receivable of the Company has arisen in the ordinary course of business, represent valid obligations to the Company arising from bona fide transactions, and are not subject to claims, set-off, or other defences or counterclaims. All items which are required by accounting principles, standards and practices generally accepted at the date of this agreement to be reflected as receivables in the Accounts and the Management Accounts and on the books and records of the Company are so reflected and have been recorded in accordance with such accounting principles, standards and practices and in a commercially reasonable manner.

## 6. INDEBTEDNESS

- (a) The Company does not have any outstanding Indebtedness in the nature of borrowing, including any bank overdraft, any liability under acceptances (otherwise than in respect of normal trade bills) or any acceptance credit and has not entered into any agreement to create or issue any debt or loan capital nor has it factored or discounted its debts or engaged in financing of a type which would not require to be shown or fully reflected in the Accounts or Management Accounts.
- (b) None of the Indebtedness is dependent on the guarantee or indemnity of, or security provided by a third party.
- (c) The Company has not granted any loan, guarantee, surety or provided any financial assistance to or on behalf of any other person.
- (d) The Promoter has not given any debt or borne any expenses on behalf of the Company which is not recorded in the Accounts of the Company.

## 7. REGULATORY MATTERS

7.1 The Company has obtained all licences, permissions, authorisations (public or private) or consents (together, **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. These Approvals are in full force and effect, are not limited in duration or subject to any unusual or onerous conditions, have been complied with and are freely transferable. There are no circumstances 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.

7.2 Compliance with laws: The Company has at all times conducted its business and corporate affairs in accordance with its Charter Documents and in accordance with all applicable Law. The Company is not in default of any statute, regulation, order, decree or judgment of any court or any governmental or regulatory authority in any jurisdiction which applies to the Company.

7.3 Competition and fair trading laws. The Company has not received any process, notice or other communication (formal or informal) by or on behalf of any Governmental Authority having jurisdiction in competition matters in relation to any agreement, arrangement, restrictive practice, concerted practice or course of conduct to which the Company is, or is alleged to be, a party; or is subject to any order, judgment, decision or direction given by any Governmental Authority, or party to any undertaking or assurance given to any such Governmental Authority in relation to competition matters and is still in force.

## 8. CONTRACTS

8.1 Each material agreement to the Company is a party:

- (a) under the terms of which, as a result of the entry into and performance of the Transaction Documents: (i) any other party will be entitled to be relieved of any obligation or become entitled to exercise any right (including any termination or pre-emption right or other option); or (ii) the Company will be in default; or (iii) a liability or obligation of the Company is likely to be created or increased.
- (b) which is not in the Ordinary Course of business or not on arm's lengths terms
- (c) which is a joint venture, consortium, partnership, or profit (or loss) sharing agreement
- (d) under which the Company has sold or disposed of any company or business where it remains subject to any liability (whether contingent or otherwise).
- (e) which involves or is likely to involve expenditure or other costs by the Company totalling in excess of INR 20,00,000 (Indian Rupees Twenty Lakhs) in aggregate or any obligation of a material nature or magnitude.
- (f) which cannot be performed by the Company within its terms within 6 (Six) months after the date on which it was entered into or cannot be terminated on less than 6 (six) months' notice.
- (g) which is a recognition, procedural or other agreement between any the Company and any recognised independent trade union.
- (h) on which the business of the Company is substantially dependent or which is otherwise material to the business of the Company.
- (i) any loan agreement, indenture, letter of credit, security agreement, mortgage pledge agreement, deed of trust, bond, note, or other agreement relating to the borrowing of money or to the mortgaging, pledging, transferring of a security interest, or otherwise placing an Encumbrance on any material asset or material part of the assets of the Company, each in an amount in excess of INR 10,00,000 (Indian Rupees Ten Lakhs) or as provided in the Management Accounts.
- (j) which is a bid, tender, proposal or offer which, if accepted, would result in the Company being committed to any agreement or arrangement of a kind described in paragraphs 8.1(a) to 8.1(j) above.

8.2 Terminations. Each contract on which the business of the Company is substantially dependent or which is otherwise material to the business of the Company is valid and binding and in full force and effect and no written notice of termination has been given or received by the relevant Group Company.

- 8.3 Contracts with suppliers, customers and distributorships. The Company has validly subsisting agreements with its vendors and distributors.
- 8.4 Defaults. The Company is not in default under any contract or arrangement to which it is a party and no third party is in default under any contract or arrangement with the Company and there are no circumstances in either case likely to give rise to such a default.

## 9. **LITIGATION**

- (a) The Company is not a party to any litigation, arbitration, actions, suits, claims, examination, audit, investigation or administrative proceeding, which is in progress nor, have any such proceedings been expressly threatened in writing by or against the Company. Further, there are no notices in writing against the Company which may lead to any legal proceedings that in aggregate may result in a Material Adverse Effect or which restricts it from carrying on its Business as is currently conducted.
- (b) There are no circumstances which are likely to give rise to any litigation, arbitration or alternate dispute resolution proceedings by or against the Company.
- (c) The Company is not subject to any order or judgment given by any Governmental Authority that is still in effect.

## 10. **INSURANCES**

- (a) In relation to the insurance policies obtained by the Company:
- (i) such insurances are in full force and effect;
  - (ii) there are no circumstances which might lead to any liability under such insurances being avoided by the insurers; and
  - (iii) there are no claims which remain outstanding have been made under any such insurances.
- (b) The Assets relating to the Business are sufficiently insured for their full values and against such risks as is customary to insure in the industry that the Company operates in.
- (c) In respect of the insurances, no act, omission, misrepresentation or non-disclosure by or on behalf of the Company has occurred which makes any of these policies void, voidable or unenforceable.

## 11. **INTELLECTUAL PROPERTY**

### 11.1 Business Intellectual Property

- (a) All registered Intellectual Property owned or used by the Company and is complete and accurate (**Owned IP**). The Owned IP is valid and subsisting and is not subject, or likely to be subject to, amendment, challenge, removal or surrender.

- (b) The Company owns all of the rights and interests in and has title to, or has validly licensed to it, all of the Intellectual Property used for the Business (**Business IP**). The Business IP comprises all the Intellectual Property Rights required to carry on the Company's business as it is currently carried on or currently planned to be carried on.
  - (c) The Owned IP is not subject, or likely to be subject, to amendment, challenge, removal or surrender. There is nothing that might prevent applications from being granted.
  - (d) No compulsory licences or anything similar have been, or are likely to be, granted for the Owned IP.
  - (e) The licences of Intellectual Property granted to, and by, the Company are binding and in force. None of the parties to them is in default, there are no grounds on which they might be terminated and no disputes have arisen or are foreseeable in connection with them.
  - (f) The Business IP is not subject to any security interest, option, mortgage, charge or lien. The Business IP will not be lost, or rendered liable to termination, by virtue of the acquisition of the Shares or the performance of this Agreement.
- 11.2 No infringement. The Company is not infringing, is likely to infringe, or has infringed, the Intellectual Property Rights of a third party and no third party is infringing or has infringed, the Owned IP. There is no infringement, or likely infringement, by a third party of the Owned IP, and no third party has disputed the right of the Company to use the Business IP and there are no circumstances likely to give rise to a dispute.
- 11.3 Confidential information. Confidential information of, or that has been used by the Company has been kept confidential and has not been disclosed to third parties except in the ordinary course of business and subject to written confidentiality obligations from the third party. These confidentiality obligations have not been breached.
- 11.4 Information technology.
- (a) The information technology systems (**IT Systems**) are owned by, or properly licensed, leased or supplied under third party contracts to the Company. The Company is not in breach of and has not breached any of those licences, leases and supply contracts.
  - (b) There are no circumstances in which the ownership, benefit, or right to use the IT Systems may be lost, or rendered liable to termination, by virtue of the Transaction.
  - (c) The IT Systems have not failed to any material extent and the data that they process has not been corrupted. The IT Systems do not contain viruses, bugs or things that distort their proper functioning, permit unauthorised access or disable them without the consent of the user.
  - (d) The IT Systems are adequate for the needs of the Company's businesses as carried out at the date of this agreement.

- (e) Data protection. The Company complies with all applicable data protection laws, guidelines and industry standards and the Company has not received any notice or allegation alleging that any Group Company has not complied with any of them.

## 12. TAXATION RETURNS & TAX RELATED

- 12.1 All liabilities of the Company in respect of Taxes are fully provided for or (as appropriate) disclosed in the Accounts or in the Management Accounts in accordance with the accounting principles, standards and practices generally accepted at the date of this Agreement in India. There is no deficiency or adjustment which has not been settled or otherwise resolved for any amount of Tax which has been, asserted or assessed by any Tax Authority.
- 12.2 Position since Accounts Date. Since the Accounts Date, the Company has not been involved in any transaction which has given or may give rise to a liability to Tax on the Company other than Tax in respect of normal trading income or receipts of the Company arising from transactions entered into by it in the ordinary course of business. Since the Accounts Date, the Company has not changed any accounting method in respect of Taxes. The Company has appropriately classified the expenditure incurred by it as revenue and capital in nature and the same has been accordingly considered for the purpose of its Tax returns.
- 12.3 Registrations. The Company has obtained in its name all the relevant registrations with Taxation Authorities, which are necessary for the conduct of its business, including but not limited to permanent account number, tax deduction and collection account number and Goods and Service Tax number.
- 12.4 Payment of taxes. All Tax dues payable by the Company have been paid in full within the prescribed statutory time limits. All amounts recorded and appearing in the Accounts as advance Tax or self-assessment Tax paid or as a credit of tax deducted at source or tax collected at source: (a) reconcile with the Form 26AS and electronic records of the Company for respective financial year; and (b) are true and correct and represent amounts which are duly recoverable or eligible for claim by the Company.
- 12.5 Deferred Tax. The Company has made full provision for deferred Taxes in the accounts in accordance with the applicable Law and applicable accounting standards. No disposal has taken place or other event occurred which will have the effect of crystallizing a liability to Taxation which should have been included in the provision for deferred Taxation contained in the financial statements of the Company if such disposal or other event had been planned or predicted at Closing.
- 12.6 Returns etc. The Company has duly, and within any appropriate time limits, filed all returns, declarations, computations (including claims for refunds), forms, given all notices and supplied all other information required to be supplied to all relevant Tax authorities under the provisions of Applicable Laws relating to Tax in accordance with and within the statutory time period stipulated by such Tax laws and has maintained all records required to be maintained for Tax purposes; all such information is correct, complete and accurate in all respects and all such returns and notices are correct, complete and accurate in all respects and are not likely to, reveal any transactions which may be the subject of any dispute with any Tax Authority. All refunds have been duly claimed in the Tax Returns filed by the Company and such refunds claimed, are in the opinion of the Company acting in good faith, considered refundable under applicable Laws.

- 12.7 Disputes, investigations. The Company has not received any notice that its Tax Returns are disputed by the Taxation Authorities concerned and no proceedings for recovery of Tax have been initiated or are presently pending against the Company. The Company is not involved in any current dispute with any Tax Authority or is subject of any litigation, proceeding, appeals, investigation or legal proceedings or other similar and incidental actions by any Tax Authority and it is not aware of any instances that can lead to a Tax dispute. In relation to the Company, there are no litigation proceedings, no planned investigation, enquiry, audit, non-routine inspections, or other similar and incidental actions by any Tax Authority. There are no outstanding agreements, waivers or arrangements extending the statute of limitations with respect to any Taxes of the Company in effect as of the date of this Agreement.
- 12.8 Penalties, interest, security. There are no circumstances by reason of which the Company or any director or officer of the (in her capacity as such) may become liable to pay to any Tax Authority, any penalty, fine, surcharge or interest in respect of Tax. The Company has not been required to provide any security in respect of any amount of Tax and no asset the Company is subject to any Encumbrances-in favour of any Tax Authority or otherwise in relation to Tax.
- 12.9 Rulings etc. No transaction in respect of which any consent, ruling, confirmation or clearance (each a ruling) was required by applicable Law or sought from any Tax Authority has been entered into or carried out by the Company without such ruling having first been properly obtained. All information supplied to any Tax Authority in connection with any such ruling fully and accurately disclosed all facts and circumstances material to the giving of such ruling. Any transaction for which such ruling was obtained has been carried out only in accordance with the terms of such ruling and the application on which the ruling was based and at a time when such ruling was valid and effective. No facts or circumstances have arisen since any such ruling was obtained which would cause the ruling to become invalid or ineffective.
- 12.10 Special arrangements. No Tax Authority has agreed to operate or, operated, any special arrangement (being an arrangement which is not based on relevant legislation or any published practice) in relation to the Company's affairs. The Company has not negotiated any written arrangement or agreement with any relevant Governmental Authority in connection with any Tax.
- 12.11 Reliefs. No Relief (whether by way of deduction, reduction, set-off, exemption, postponement, rollover, hold-over, repayment, allowance or otherwise) from, against or in respect of any Tax has been claimed and/or given to the Company or taken into account in determining or eliminating any provision for Tax or deferred Tax in the Accounts or the Management Accounts. The Company has completed all necessary filings with Governmental Authorities and maintains all records, documents, proofs and evidence as may be required under the Applicable Laws in relation to Taxes and rebates, benefits and concessions sought by it.
- 12.12 Withholdings. The Company has made all deductions and retentions of or on account of Tax as it was or is obliged or entitled to make under applicable Laws and all such payments of or on account of Tax as should have been made under applicable Laws, including any filings in relation thereto, to any Tax Authority in respect of such deductions or retentions.
- 12.13 Employees. All amounts payable to any Tax Authority in respect of any employee (including any Tax deductible from any amounts paid to an employee, and any social security, social fund or similar

contributions required to be made in respect of employees) due and payable by the Company up to the date hereof have been duly paid and the Company has made all such deductions and retentions as should have been made under applicable Laws.

- 12.14 Residence/permanent establishment: The Company is and has at all times been resident for Tax purposes in its place of incorporation and is not and has not at any time been treated as resident in any other jurisdiction, other than India, for any Tax purpose (including any double Taxation arrangement). The Company has not received any written claim from a Governmental Authority in a jurisdiction where the Company does not pay Tax or file Tax Returns.
- 12.15 Third party Tax liability. The Company has not assumed the Tax liability of any other Person, either contractually or otherwise. There are no encumbrances for Taxes upon the Assets and the Company is not party to, nor have any obligation, under any Tax sharing, Tax indemnity or Tax allocation agreement or arrangement; and it has never been a member of any affiliated, consolidated, combined or unitary group for any period or a party to any joint venture, partnership or other agreement that could be treated as a partnership for Tax purposes; and it is not liable directly or indirectly for the Taxes of any other person. The Company is not liable for any Tax as the agent or representative assessee of any other person or any other person's business or constitutes a permanent establishment of any other person, business or enterprise for any Tax purpose. The Company is not liable to pay any amount or make reimbursement or indemnity to any Person in respect of any Tax liability of another Person pursuant to the terms of any document entered by the Company.
- 12.16 Tax avoidance. The Company has not received any notice from any Tax Authority alleging that it has been involved in any transaction or series of transactions the main purpose, or one of the main purposes of which, was the avoidance of Tax. The Company has never been engaged in, or been a party to, any transaction or series of transactions or steps or scheme or arrangement of which the main purpose or one of the main purposes is, the evasion, avoidance or deferral of Taxes and it does not satisfy any of the conditions of being treated as an Impermissible Avoidance Arrangements under Chapter XA of the IT Act.
- 12.17 Stamp duty. In relation to stamp duty assessable or payable in India or elsewhere in the world, as at the date of this agreement, all documents in the enforcement of which the Company may be interested have been duly stamped and no document belonging to the Company as at the date of this agreement which is subject to ad valorem stamp duty is unstamped or insufficiently stamped; nor has any relief from such duty been improperly obtained, nor has any event occurred as a result of which any such duty from which the Company has obtained relief, has become payable.
- 12.18 Related party transactions. There is no existing or proposed transaction, contract or arrangement between the Company and any other Related Party (including without limitation related parties within the meaning the IT Act or the applicable accounting standard). The Company is in compliance with all transfer pricing requirements under Applicable Law, and all transactions between the Company and its Related Parties and associated enterprises have been carried out on an arm's length basis, as required under Applicable Law. No notice, inquiry or adjustment has been made by any Taxation Authority in connection with any such transactions or arrangements. No event has occurred which will give rise to a Tax liability on the Company calculated by reference to deemed (as opposed to actual) income, profits or gains or which will result in the Company becoming liable to pay or bear a Tax liability directly or primarily chargeable against or attributable to another Person. The Company represents that the loans from the Related Parties do not carry any interest

and no interest is due and payable on related party loans as on 31 December 2021.

12.19 Issue of shares. (i) The Company has not issued, in any prior years, its shares in excess of fair market value determined as per the provisions of applicable Law. (ii) For each issue of shares till Closing Date, the Company has received funds from genuine sources / shareholders whose identity, credit worthiness can be proved or substantiated with adequate documentation. (iii) The Company has made adequate disclosures for each issue of shares, in the statutory filings made with the Taxation Authority. There are no litigations, claims or notices raised or threatened by any Taxation Authority against the Company on (i), (ii) or (iii) above.

12.20 Past restructuring exercise. All the mergers / acquisitions/ restructuring exercise undertaken by the Company until Closing Date have been made in compliance under Taxation Laws and there are no litigations, claims or notices raised or threatened or are likely to be raised against the Company on such mergers / acquisitions/ restructuring exercise. The Company has not disposed of or acquired any Assets in circumstances such that the disposal price or acquisition cost of the Asset would be treated for Taxation purposes as being different from the consideration given or received.

12.21 Others Tax matters. No audit, investigation, visit or other proceeding by any Taxation Authorities is pending or being conducted or proposed to be conducted:

(a) relating to any Taxes due from or with respect to the Company in relation to the filing of any Tax Returns or failure to do so; or

(b) in respect of any pending proceedings under any Tax legislation,

that may prohibit, restrict, delay the consummation of or have any adverse impact on the Company's ability to enter into the transactions contemplated in this Agreement or that has the effect of creating any charge or lien on the sale of shares or subscription of shares or any assets of the Company in which it holds shares, in favor of any Taxation Authority. The Company is not, and has not been since incorporation, subjected to any non-routine audit, investigation, discovery, search or seizure or access order by any Taxation Authority.

### 13. **INDIRECT TAX MATTERS**

13.1 All types of supplies (inter-state, intra-state, exports or imports), sale of Assets and supply returns, if any, have been duly classified and properly accounted for in the outward supply register or duly recorded in the appropriate books of accounts and suitably disclosed in the returns filed under the Goods and Services Tax Act, 2017

13.2 The Company has classified the goods / services supplied by them and charged appropriate Tax in accordance with the notifications issued under / pursuant to the Goods and Services Tax Act, 2017.

13.3 All goods, services or other inputs for which the Company has claimed any credit with respect to any indirect Tax have been or are to be used for the purposes of the business of the Company, and such credit is a valid credit to the extent claimed.

- 13.4 The Company has duly accounted, deposited and reported Indirect Tax under reverse charge on inward supply in accordance with the applicable value and rate as prescribed under the respective Indirect Tax laws.
- 13.5 The Company has duly availed and reversed (wherever applicable) input Tax credit in their GST records and returns. Further, the Company has duly reconciled input Tax credit with the details of invoices available in Form GSTR-2A (auto-populated based on return filed by corresponding supplier in Form GSTR-1) and availed credit to the extent allowed by the applicable provisions.
- 13.6 The Company maintains the documents as required and prescribed under the Goods and Services Tax Act, 2017.
- 13.7 All transactions on which valuation rules stand applicable under the Goods and Services Tax Act, 2017, have been recorded in the books and records of the Company appropriately.
- 13.8 The Company has prepared the monthly returns based on the books of accounts maintained by it.
- 13.9 No material investigation, governmental charges or other proceeding by any Tax Authority is pending or being conducted, with respect to:
- (a) any Taxes due from or with respect to either entity of the Group in relation to the filing of any Tax returns or failure to do so; or
  - (b) any Tax that has any adverse impact on the Company's ability to consummate the transactions contemplated in this Agreement.
- 13.10 The Company has filed all declarations and Taxes returns that are required to be filed by the Company in relation to Taxes, and has not received any written notice that such returns are disputed by the Tax Authorities concerned and that proceedings for recovery of Tax have been initiated or are presently pending against the Company

14. **BUSINESS ACTIVITIES**

No one is entitled to receive from the Company, a finder's fee, brokerage or other commission in connection with the sale and purchase of the Sale Shares.

15. **REAL ESTATE**

- 15.1 The Company does not own any immovable property. The details of the immovable property that are currently being used by the Company are set out in schedule 14.
- 15.2 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. Each lease, sub-lease, license, sub-license or other occupancy arrangement in respect of each property occupied or used by Company (each a "**Lease**") is in writing and is validly executed and has been duly stamped and registered.
- 15.3 The Company has not sent to or received from any other party to any Lease, any written notice of any default or breach of any Lease. The Company has enjoyed uninterrupted and undisputed possession of the properties held on a leasehold basis and there are no disputes with respect to any

such Lease.

- 15.4 There are no overdue rents, rates or other amounts or an arrangement for deferred consideration or other payments in respect of any Lease.
- 15.5 The Company has not sub-leased or otherwise granted to any Person, the right to use or occupy any of the properties in violation of the terms of Lease.
- 15.6 No Encumbrances have been created by the Company on or over any Assets including the leasehold/ license interests of the Company in respect of leased property used or occupied by it.

## 16. **EMPLOYMENT**

16.1 The Company has provided full and accurate details of:

- (a) the terms of all current contracts of employment of every Key Employee;
- (b) the terms of all share incentive schemes, or profit sharing, bonus or other incentive schemes applicable to any of the employees (including any payments to be made to any employee by the Company; and
- (c) the terms of all current recognition, procedural, collective or other agreements which the Company has entered into with any trade union (whether independent or not), works council, or similar body representing the employees or any of them.

16.2 No amounts owing or claimed. There are no sums or other liabilities owing by the Company to, or any claims relating thereto by, any employee or former Employee, other than amounts representing reimbursement of expenses, wages for the current salary period and accrued holiday pay for the current holiday year.

16.3 Loans. There are no loans or notional loans to any current or former director or employee or any of their nominees or associates.

16.4 Incentive Schemes. Each incentive scheme operated, adopted or contributed to by the Company in relation to any of the employees has been approved by the relevant taxation and regulatory authorities as is necessary or desirable and has complied with all statutory and regulatory requirements relating to such a scheme. No event has occurred which might cause such approval to be lost.

16.5 Compliance. The Company has in relation to each of its employees (which shall include workers and contract labour engaged by the Company) and former employees complied in all aspects with all obligations owed to and in respect of the employees and former employees, including under legislation, regulations, codes of conduct, codes of practice, collective agreements, terms and conditions of employment, orders, agreements with third parties and awards relevant to their conditions of service and in particular it has:

- a) complied in all respects with its obligations under applicable Laws regarding (i) payments of statutory liabilities towards provident fund, employees state insurance scheme, bonus,

superannuation, gratuity, professional tax, labour welfare fund and/or other similar applicable requirements; and (ii) as required, the provisions of the Employment Exchanges (Compulsory Notification of Vacancies Act), 1959 and the Maternity Benefit Act, 1961;

- b) maintained adequate and suitable records and registers and has filed requisite returns, exhibited abstracts of labour statutes, acts and regulations, as required under applicable Laws in relation to the employment of employees;
- c) discharged or adequately provided for, in all respects, its obligations to pay (i) all salaries, minimum wages (as prescribed under the Minimum Wages Act, 1948), bonuses, overtime pay, holiday pay, sick pay, gratuity, leave encashment, and other benefits of or connected with employment up to the date of this agreement; and (ii) the severance payments to employees leaving the services of the Company up to the date of this Agreement;
- d) complied in all respects with all its obligations concerning the health and safety at work of each of the employees and has not incurred any liability to any employee or former employee in respect of any accident or injury; and
- e) no outstanding obligations to employees or former employees in relation to social security, social insurance, severance, housing allowance and/or provident fund, pension contribution, share options or grants or other benefits payments.

16.6 Key Employee. No Key Employee has given or received notice terminating his or her employment and, to the knowledge of the Company or the Founder, as the case may be, no such Key Employee has any current intention of giving such notice. The Company has no present intention to terminate the employment of any Key Employee.

16.7 Change of Control. There is no provision in any contract of employment or otherwise giving a right or an increased right to any employee which may arise on the Transaction, or which is contingent on a Change of Control or ownership of the Company.

16.8 Trade Unions. No trade union or other body representing the employees or any of them is recognised to any extent for the purpose of collective bargaining or other negotiating purposes.

16.9 Complaints. There are no formal complaints, disputes or claims actual, pending or, to the knowledge of the Company or the Founder, as the case may be, threatened, nor were there within the period of one (1) year before the date of this agreement any material complaints, disputes or claims, against the Company of any nature in relation to any Employee or former Employee and there are no matters which could give rise to any such claims.

## 17. INFORMATION

17.1 The particulars relating to the Company set out in the Recitals and the schedules, in the Warranties made by the Sellers under this agreement and in all statements made in any certificate or document

issued by the Sellers or the Company to the Purchaser pursuant to the requirements of this agreement are true and accurate.

17.2 No data, information or documents relating to the Business has been withheld from the Purchaser. The information provided to the Purchaser and its representatives and advisors during the due diligence undertaken by the Purchaser, and negotiation and finalisation of this agreement is true, correct and complete, and not misleading in any respect

17.3 Data Room is true, complete and correct. All information contained in the Data Room is true, complete and correct, and is not misleading in any way. Where such information contains financial forecasts or projections, such financial forecasts and projections, and any assumptions underlying such forecasts or projections, have been made on a reasonable basis in light of the operations of the Company to date.

## 18. ANTI-BRIBERY, MONEY LAUNDERING AND SANCTIONS

18.1 For the purpose of this paragraph 18, the term "Anti-Bribery Law" means all Laws relating to bribery or corruption, including (to the extent applicable) but not limited to: (i) the (Indian) Prevention of Corruption Act 1988; (ii) the United States Foreign Corrupt Practices Act of 1977; (iii) the U.K. Bribery Act 2010 and, where applicable, legislation enacted by member states and signatories implanting the OECD Convention Combating Bribery of Foreign Officials; and (iv) any similar laws issued, administered, or enforced by a competent government authority in any applicable jurisdiction.

18.2 For the purpose of this paragraph 17, the term "Anti-Money Laundering Law" means all Laws relating to anti-money laundering, including any financial record keeping and reporting requirements including but not limited to: (i) the Proceeds of Crime Act, Money Laundering Regulations, and Terrorism Act of the United Kingdom; (ii) the U.S. Bank Secrecy Act and USA Patriot Act of 2001; and (iii) any similar laws issued, administered, or enforced by a competent government authority in any applicable jurisdiction

18.3 For the purpose of this paragraph 17, the term "Sanctions Laws" means any law that imposes trade sanctions (including, without limitation, asset blocking/freezing, trade embargoes, and other financial restrictions) against countries, regions, locations, individuals, or entities for reasons of national or international security, human rights or foreign policy, whether pursuant to United Nations Security Council Resolutions or on an autonomous national or regional basis, including, without limitation, (i) sanctions or restrictive measures imposed by the European Union or its Member States, including those imposed or administered by Her Majesty's Treasury of the United Kingdom; (ii) sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department or the U.S. Department of State; and (iii) similar economic sanctions laws, regulations, orders and directives of other jurisdictions.

18.4 Neither the Sellers nor the Company, nor any officers, Directors, employees of the Sellers or the Company, is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Anti-Bribery Laws in relation to the Business.

18.5 Neither the Sellers nor the Company nor any officers, Directors, employees of the Sellers or the Company, nor any of their respective Related Parties has, directly or indirectly, offered, paid, promised, or authorised the giving of any payments in relation to the Business: (i) to or for the use

or benefit of any government official; (ii) to any other person either for an advance or reimbursement, if it knows or has reason to know that any part of such payment will be directly or indirectly given or paid by such other person to any government official; or (iii) to any other person or entity, to obtain or keep business or to secure some other improper advantage, the payment of which would violate applicable Anti-Bribery Laws.

- 18.6 Neither the Sellers nor the Company, nor any officers, Directors, or employees of the Sellers or the Company is named on any list of prohibited persons, entities or jurisdictions maintained and administered by the Reserve Bank of India or subject to any sanction administered under any Sanction Laws.
- 18.7 The Business of the Company has been conducted at all times in compliance with all Anti-Bribery and Anti-Money Laundering Laws.

*[Remainder of the page intentionally left blank]*

## SCHEDULE 3

### PART B

#### SELLER WARRANTIES

The Sellers (severally) represent and warrant to the Purchaser as follows.

1. For all Sellers which are corporate entities, it is duly organised and validly existing under applicable Law and it has the requisite corporate power and authority, to sign and deliver this Agreement and exercise its respective rights and perform its respective obligations under this agreement.
2. This Agreement and any other document to be executed pursuant to or in connection with this Agreement will, when executed, constitute its valid and binding obligations, in accordance with their respective terms.
3. None of: (a) the execution, delivery and performance of this Agreement; (b) the consummation of the transactions contemplated by this Agreement; or (c) compliance with the provisions of this Agreement, will conflict with or breach any its charter documents (if applicable) or any applicable Laws so as to render the transactions envisaged under this Agreement void or unenforceable.
4. It is the sole legal and beneficial owner of the respective Sale Shares as set out against its name in schedule 1 and has the exclusive right to exercise all voting and other rights over and in respect of such Sale Shares. It has valid title to the Sale Shares held by it as set out in schedule 1 and it is not prohibited or restricted in any manner whatsoever by any contract or applicable Law to sell the Sale Shares to the Purchaser in the manner set out in schedule 1.
5. The Sale Shares are free of all Encumbrances and are not subject to any pre-emption rights, lock-in, non disposal obligations or rights of first refusal for transfers thereof in favour of any other Person. 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 Sale Shares held by it.
6. The Sale Shares have been acquired by it in compliance with applicable Law and all forms and documents prescribed under applicable Law required to be filed by it with any Governmental Authority in relation to the issuance and allotment of the Sale Shares were duly filed by it.
7. It has been allotted permanent account number under the IT Act.
8. The Sale Shares are held by the Seller as a 'capital asset' and treated as investments for accounting purposes.
9. The Purchase Consideration is equal to or more than the fair market value of the Sale Shares, as prescribed under Section 50CA read with Rule 11UA of the IT Act.

10. All records and information which the Seller is required to keep for Tax purposes or which would be needed to substantiate any position taken in relation to Tax has been or will be duly kept in compliance and possession of the Seller.
11. There are no Tax proceedings, Tax claims and Tax demands, in any form whatsoever, (including any proceedings at the assessment stage for which a Tax demand has not yet been raised) pending or threatened against the Seller under the IT Act that can adversely affect the transfer of the Sale Shares under Section 281 of the IT Act.
12. All Taxes of any nature whatsoever for which the Seller is liable, and which have fallen due for payment, have been duly paid. The Seller has maintained all records and information which it is required to keep for Tax purposes, or which would be needed to substantiate any claim made or position taken in relation to Tax claims in accordance with applicable law. The Seller has duly and timely responded to or furnished requisite particulars or clarifications or complied with, all notices, inquiries, assessment notices received from Tax authorities.
13. The Sellers (except the NR Seller and the Other Sellers) further (severally) represent and warrant to the Purchaser as follows.

It is a person resident in India in terms of the FEMA Regulations and a resident of India for the purposes of section 6 of the IT Act and shall continue to remain tax resident of India for the entire Financial Year during which the Closing Date falls.

The NR Seller further represents and warrants to the Purchaser as follows.

13. It is a person not resident in India in terms of the FEMA Regulations and a non-resident for the purposes of section 6 of the IT Act and shall continue to remain tax non-resident of India for the entire Financial Year during which the Closing Date falls.

The Other Sellers further (severally) represent and warrant to the Purchaser as follows.

13. It has acquired the Sale Shares as a person resident in India in terms of the FEMA Regulations and is currently a non-resident for the purposes of section 6 of the IT Act and shall continue to remain tax non-resident of India for the entire Financial Year during which the Closing Date falls.

*[Remainder of the page intentionally left blank]*

## SCHEDULE 4

### EXISTING LENDERS

- Bank of Baroda,
- Kudos Finance & investment,
- Dr Ashit Seth,
- Dr Sheths Skin & Hair Clinics LLP
- Aneesh Sheth
- Dr Rekha Sheth
- Glance Finance Limited
- Riviera Investors Pvt Ltd.

*[Remainder of the page intentionally left blank]*

## SCHEDULE 5

### PURCHASER'S WARRANTIES

1. The Purchaser is duly organized and validly existing under the laws of India.
2. The Purchaser warrants that the execution and delivery of this agreement and the Completion of the transactions contemplated hereby, have, where required, been duly and validly authorised and no other proceedings or action on the part of the Purchaser is necessary to authorise the agreement or to complete the transactions contemplated hereunder.
3. The execution, delivery and performance by it of this agreement and/or other transaction documents and the consummation of the transactions contemplated hereby do not violate or conflict with any provision of its constitutional documents or applicable Laws or any court order, judgment, injunction, award, decree or writ of any court or the Governmental Authority against, or binding upon the Purchaser.
4. It is not subject to any insolvency proceedings with respect to any part or all of its assets.

*[Remainder of the page intentionally left blank]*

## SCHEDULE 6

### CONDITIONS

- (a) There being not in effect any Law which has the effect of making the transactions contemplated under the Agreement illegal.
- (b) Each Seller shall have provided a certificate from a chartered accountant which certificate shall be accompanied with a screenshot from the website of the income tax department certifying that there no outstanding or any pending claims for the purposes of Section 281 of the Income Tax Act.
- (c) The Sellers and the Company shall have obtained all relevant corporate approvals as may be required by each of them under their charter document and Laws in connection with the execution of and performance of their obligations under this Agreement.
- (d) The Company shall have been provided a valuation report from a Category I SEBI Registered Merchant Banker and/or a Chartered Accountant who is a registered valuer in terms of the Companies Act, for the purposes of determining the fair market value of the Subscription Shares as per the Companies Act and the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019.
- (e) The Company shall provide to the Purchaser, a certificate from a Category I SEBI registered merchant banker / Chartered Accountant indicating the fair value of the First Tranche Sale Shares under Section 50CA/56(2)(x) of the IT Act, in the manner as prescribed under Rule 11 UA/ Rule 11UAA of the Income Tax Rules, 1962
- (f) The Board shall have passed appropriate resolutions approving: (a) the issuance of Subscription Shares to the Purchaser on a private placement basis through a preferential allotment; (b) recording the name of the Purchaser as the offeree of the Subscription Shares; (c) the draft offer letter in Form PAS-4 along with the draft application form in relation to the aforesaid preferential allotment; and (d) convening an extraordinary general meeting of Shareholders.
- (g) The Shareholders shall have passed a special resolution at an extraordinary general meeting approving the issuance of the Subscription Shares to the Purchaser.
- (h) The Company shall have issued the offer letter in Form PAS-4 (in writing or in electronic mode) along with the application form(s) mandated by Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014, read with Rule 14(1)(b) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, to the Purchaser in regard to the Subscription Shares.
- (i) The Company shall have made relevant filings with the Registrar of Companies in regard to the board resolution and special resolution passed for approving the offer of Subscription Shares.
- (j) The Company shall have executed the employment agreement with the Key Employees in a form acceptable to the Purchaser.
- (k) Each Seller shall have provided to the Company a copy of its permanent account number under the Income-tax Rules, 1962.

- (l) Each Seller shall have provided to the Company a duly executed and stamped share transfer deeds with respect to its Sale Shares.
- (m) The Purchaser and the Founders shall have aligned the Business Plan.
- (n) There shall have been no Material Adverse Effect.
- (o) All the Transaction Documents shall have executed by the Parties.
- (p) Each Seller shall have provided the KYC documents and shall have executed such other agreements with the bankers of the Purchaser as may be requested by the Purchaser.
- (q) The Company shall have provided audited Accounts as on 31 March 2021, prepared in accordance with Indian GAAP.
- (r) The Company shall have filed the income tax return and other required forms within the prescribed due date for the financial year ended 31 March 2021. Further, while filing the income tax return, the Company should factor in the identified tax disallowances on account of non-deduction of TDS amounting to INR 28,20,398.
- (s) The Company shall have provided the revised sanction letter from Bank of Baroda, which is valid as on 31 December 2021.
- (t) Each of the NR Seller and the Other Sellers shall have provided to the Purchaser a Tax Gain Computation
- (u) The NR Seller shall have provided to the Purchaser all details that may be required by the Purchaser for the purpose of filing Form FC-TRS for the acquisition of the Sale Shares from the NR Seller.
- (v) Each of the NR Seller and the Other Sellers shall have delivered all the information, to the extent required by the Purchaser for filing, to the extent applicable, a Form 15CA and Form 15CB in respect of the sale of Second Tranche Sale Shares.
- (w) The Company shall have provided a declaration from Mr. Harish M Parekh stating that he was no claim over the title of the 5000 (Five Thousand) Equity Shares transferred by him to Dr. Rekha Sheth on 26 March 2004.

*[Remainder of the page intentionally left blank]*

**SCHEDULE 7**

**FORM OF CP CONFIRMATION CERTIFICATE**

[Date]

To,  
Mr. Ramanpreet Sohi,  
Honasa Consumer Private Limited  
4th Floor BLM tower, Plot no. 63, Sector 44, Gurgaon.

Re: **Satisfaction of Conditions set out in schedule 6 (*Conditions*) of the Share Purchase & Share Subscription Agreement dated February 17, 2022**

Dear Ramanpreet Sohi,

We write with reference to the Share Purchase & Share Subscription Agreement dated February 17, 2022 ("**Agreement**") entered into between the Sellers, Fusion Cosmeceutics Private Limited ("**Company**") and Honasa Consumer Private Limited ("**Purchaser**"). This notice is being issued pursuant to clause 4.2 of the Share Purchase Agreement. Capitalized terms used in this notice but not defined herein shall have the meaning ascribed to them in the Share Purchase Agreement.

The Company and the Founders jointly and severally, certify and confirm that:

1. The Conditions set out in schedule 6 (*Conditions*) read with clause 4.1 of the Share Purchase Agreement have been fulfilled [except [*reference to any condition which has been expressly waived or deferred by the Purchaser to be inserted*]].
2. The following documents evidencing the fulfilment of each of the Conditions referred to in paragraph 1 above are enclosed along with this notice, for your consideration.
3. We request you to proceed to Completion in accordance with clause 6.3 of the Share Purchase Agreement.

Yours sincerely,

<p>_____</p> <p>Aneesh Sheth</p> <p>_____</p> <p>Ashit Sheth</p>	<p>For and on behalf of Fusion Cosmeceutics Private Limited</p>  <p>_____</p> <p>Name: Designation:</p>
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[Remainder of the page intentionally left blank]

## SCHEDULE 8

### PART A

#### FORMAT OF CP FULFILMENT NOTICE

To:

1. Fusion Cosmeceutics Private Limited  
106 Maker Bhavan III, New Marine Lanes, Mumbai, Maharashtra, India, 400020
2. Aneesh Sheth  
604 Monica Bldg, Fazal Road, Cuffe Parade, Mumbai 400095
3. Ashit Sheth  
604 Monica Bldg, Fazal Road, Cuffe Parade, Mumbai 400095

Dear Sir/s,

We write with reference to the Share Purchase & Share Subscription Agreement dated February 17, 2022 ("**Agreement**") entered into between the Sellers, Fusion Cosmeceutics Private Limited ("**Company**") and Honasa Consumer Private Limited ("**Purchaser**"). Capitalized terms and expressions used in this letter but not defined herein shall have the same meaning ascribed to them in the Agreement.

This letter is being issued in terms of clause 4.3 of the Agreement.

We hereby certify and confirm that we have reviewed the CP Confirmation Certificate, based on the documents, information and confirmations provided by the Company and the Founders in the CP Confirmation Certificate, are satisfied with the confirmation provided by the Company and the Founders that the Conditions are fulfilled.

Yours sincerely,

For and on behalf of Honasa Consumer Private Limited

\_\_\_\_\_  
Name:

Designation:

*[Remainder of the page intentionally left blank]*

**SCHEDULE 8**

**PART B**

**FORMAT OF CP REJECTION NOTICE**

[•], 2022

To:

1. Fusion Cosmeceutics Private Limited  
106 Maker Bhavan III, New Marine Lanes, Mumbai, Maharashtra, India, 400020
2. Aneesh Sheth  
604 Monica Bldg, Fazal Road, Cuffe Parade, Mumbai 400095
3. Ashit Sheth  
604 Monica Bldg, Fazal Road, Cuffe Parade, Mumbai 400095

Dear Sir/s,

We write with reference to the Share Purchase & Share Subscription Agreement dated February 17, 2022 ("**Agreement**") entered into between the Sellers, Fusion Cosmeceutics Private Limited ("**Company**") and Honasa Consumer Private Limited ("**Purchaser**"). Capitalized terms and expressions used in this letter but not defined herein shall have the same meaning ascribed to them in the Agreement.

Capitalized terms and expressions used in this letter but not defined herein shall have the same meaning ascribed to them in the Agreement.

This letter is being issued in terms of clause 4.3 of the Agreement.

We hereby certify and confirm that we have reviewed the CP Confirmation Certificate, based on the documents, information and confirmations provided by the Company and the Sellers in the CP Confirmation Certificate. In our view, the following Conditions have not been satisfied:

Condition Precedent	Reason
[•]	[•]

Yours sincerely,

For and on behalf of Honasa Consumer Private Limited

\_\_\_\_\_  
Name:

Designation:

*[Remainder of the page intentionally left blank]*

**SCHEDULE 9**  
**CONDUCT OF BUSINESS UP TO FIRST TRANCHE COMPLETION DATE**

1. the business of the Company is carried on as a going concern in all respects in the Ordinary Course;
2. the Company does not undertake any reorganisation, or discontinue, change or relocate any material part of its Business;
3. the Company does not declare or pay any dividend or other distribution (whether in cash or in kind), or reduce its paid-up share capital;
4. the Company does not create, issue or agree to issue or allot any share capital to any person and the Company does not cancel, redeem or repurchase any shares or other securities;
5. the Company does not enter into transactions with a Related Party which is not in the Ordinary Course and on arm's length;
6. the Company does not enter into or terminate any contract which is not in the Ordinary Course and on arm's length and has a value in excess of INR 5,00,000 ( Indian Rupees Five Lakhs only) per annum;
7. the Company does not institute or settle any litigation where that action is likely to result in a payment to or by the Company of INR 1,00,000 (Indian Rupees One Lakh only) per annum or more;
8. the Company does not give any guarantee, indemnity or other agreement to secure an obligation of a third person (other than in the Ordinary Course) or enter into any joint venture, consortium, profit or loss sharing agreement or partnership;
9. the Company does not make any change to its accounting practices or policies or amend its Charter Documents, unless required by Law or relevant accounting standards, or change any of the internal / statutory auditors;
10. the Company does not dispose of or discontinue any material part of its Business or Assets;
11. in connection with its Assets, the Company does not:
  - (a) terminate or serve any notice to terminate, surrender or accept any surrender of or waive the terms of any lease, tenancy or licence; and / or
  - (b) enter into or vary any agreement, lease, tenancy, licence or other commitment;
  - (c) sale/sub-let/ Agreement to sell any owned premises by the Company.
12. the Company does not incur any capital expenditure;
13. the Company maintains in force policies of insurance with limits of indemnity at least equal to, and otherwise on terms no less favourable than, the policies of insurance maintained by it immediately before the date of this Agreement;
14. the Company does not borrow any money in excess of INR 15,00,000 (Indian Rupees Fifteen Lakhs)

15. the Company does not:
  - (a) terminate any Key Employees;
  - (b) make changes (other than those required by Law) to the terms of employment (including benefits) of any employees including the costs of remuneration for the Key Employees;
16. the Company does not do or allow anything to be done which causes or is reasonably likely to cause a Material Adverse Effect;
17. the Company shall maintain exclusivity and shall not initiate or entertain, any discussions, or enter into any agreement or arrangement, with any party other than the Purchaser regarding a direct or indirect acquisition of a shareholding, voting or management rights, or the business or assets of / in the Company;

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## SCHEDULE 10

### CONDITIONS SUBSEQUENT

1. Within 15 (fifteen) days from the First Tranche Completion Date, the Company shall deliver to the Purchaser, a certified true copy of:
  - (a) Form DIR-12 filed with the Registrar of Companies in connection with the appointment of the Purchaser's Directors;
  - (b) Form PAS-3 (duly filed with the Registrar of Companies) in connection with the issue and allotment of the Subscription Shares; and
  - (c) Form MGT-14 filed with the Registrar of Companies in relation to the Board resolution (where applicable) and special resolution passed inter alia for the purposes of issuing and allotting the Subscription Shares, adopting the amended and restated Articles and the appointment of the Purchaser's Director.
2. Within 30 (thirty) days from the Second Tranche Completion Date, the Company shall provide to the Purchaser, a certificate from a Category I SEBI registered merchant banker indicating the fair value of the Second Tranche Sale Shares under Section 50CA/56(2)(x) of the IT Act, in the manner as prescribed under Rule 11 UA/ Rule 11UAA of the Income Tax Rules, 1962.
3. Within 15 (fifteen) days from the First Tranche Completion Date, the Company shall perform physical verification of inventory stored at the third party warehouses and submit the verification reports to the Purchaser. If required, the Company shall also make necessary adjustments in the books of accounts.
4. Within 15 (fifteen) days from the First Tranche Completion Date, the Company to revise the e-TDS return and ensure the demand currently visible in Traces website is rectified.
5. Within 5 (five) days from the First Tranche Completion Date the Company shall have repaid all lenders for the Net Debt and shall have procured the no-objection certificate and no-dues certificate from the Existing Lenders.
6. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall have appointed Big Four Firm as an auditor of the Company for the FY 2022-23.
7. Within 60 (Sixty) days from the First Tranche Completion Date, the Company shall have appointed a financial controller acceptable to the Purchaser.
8. Within 60 (Sixty) days from the First Tranche Completion Date, the Company shall have appointed a legal counsel/legal consultant acceptable to acceptable to the Purchaser.
9. Within 7 (seven) days from the First Tranche Completion Date, the Founders shall ensure that the Company invests the Subscription Consideration in AAA debt liquid funds (except for the portion of the Subscription Consideration used for the purpose of the payment of the Net Debt).
10. Within 30 (thirty) days from the First Tranche Completion Date the Company shall adopt an

investment policy duly approved by the Board.

11. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall have filed a compounding application to the Registrar of Companies for compounding the following offences:
  - (i) Non-disclosure of certain mandatory disclosures with the provisions of Secretarial Standards on meeting of board of directors and annual general meetings issued by the Institute of Company Secretaries of India (ICSI) and weblink of the annual return for financial year 2019-20 onwards as per Section 92(3) of the Companies Act;
  - (ii) Non-disclosure of the following on the website of the Company: (a) notice of resignation of the director under Section 168 of the Act read with Rule 15 of Companies (Appointment and Qualification) Rules, 2014; (b) notice of general meetings as per Section 101 of the Companies Act read with Rule 18(3) of Companies (Management and Administration) Rules, 2014; (c) Corporate identity number and the name of the person who may be contacted in case of any queries or grievances to be disclosed as per Rule 26 of Companies (Incorporation) Rules, 2014.
12. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall maintain its minutes in accordance with the Companies Act.
13. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall have maintained the inspection book under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952
14. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall have filed the annual returns for the years 2019 and 2020 under the Maternity Benefit Act, 1961 (**Maternity Benefit Act**).
15. The Company shall have filed the annual returns for the year 2021 and maintained the registers under the Minimum Wages Act, 1948 in accordance with the timelines prescribed therein.
16. The Company shall have filed the annual returns for the year 2021 and maintained the registers under the Payment of Wages Act, 1936 in accordance with the timelines prescribed therein.
17. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall appoint a nodal officer and establish an adequate grievance redressal mechanism, appoint a grievance officer for consumer grievance redressal and display the name, contact details and designation of the grievance officer on its website.
18. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall enter into agreement for warehousing services.
19. Within 30 (thirty) days from the First Tranche Completion Date, the Company shall adopt and implement the Business Plan.

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## SCHEDULE 11

### SPECIFIC INDEMNITY ITEMS

Any liabilities or claim in respect of or arising out of in relation to:

1. Non-disclosure of certain mandatory disclosures with the provisions of Secretarial Standards on meeting of board of directors and annual general meetings issued by the Institute of Company Secretaries of India (ICSI) and weblink of the annual return for financial year 2019-20 onwards as per Section 92(3) of the Companies Act;
2. Non-disclosure of the following on the website of the Company: (a) notice of resignation of the director under Section 168 of the Act read with Rule 15 of Companies (Appointment and Qualification) Rules, 2014; (b) notice of general meetings as per Section 101 of the Companies Act read with Rule 18(3) of Companies (Management and Administration) Rules, 2014; (c) Corporate identity number and the name of the person who may be contacted in case of any queries or grievances to be disclosed as per Rule 26 of Companies (Incorporation) Rules, 2014
3. non-compliance with the provisions of Section 42 of the Act and of Rule 14(8) of Companies (Prospectus and Allotment of Securities) Rules, 2014 in relation to the following allotments:
  - (i) 2,40,210 (Two Lakh Forty Thousand Two Hundred Ten) CCPS and 41 (Forty-one) equity shares on private placement basis on 1 April 2019.
  - (ii) allotment of 1,32,403 (One Lakh Thirty Two Thousand Four Hundred and Three) CCPS and 1 (One) equity share on private placement basis on 13 April 2020.
4. non filing of the annual returns for the years 2019 and 2020 under the Maternity Benefit Act.
5. Non-compliance with the provisions of Consumer Protection (*E-Commerce*) Rules, 2020 with respect to non-appointment of nodal officer and establish an adequate grievance redressal mechanism, appoint a grievance officer for consumer grievance redressal and display the name, contact details and designation of the grievance officer on its website.

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## SCHEDULE 12

### INDEMNITY

#### Indemnification other than Tax Claims

1. The Warrantors or the Sellers (collectively the “**Indemnifying Parties**”) shall have no liability in respect of any claim which is based on any liability which is contingent until such contingent liability accrues and becomes an actual liability, provided the Purchaser Indemnified Parties is not required to make any payment pursuant to such contingent liability.
2. No Warranty is made as to any projections, opinions or forecasts provided to the Purchaser.
3. The Indemnifying Parties shall not be liable hereunder more than once in respect of a Loss arising out of an event.
4. Time Limits

In order to be indemnified under clause 8, the Indemnified Party must make a claim:

- (a) with respect to any Claim related to Tax no later than 7 (Seven) years from the end of the financial year in which the First Tranche Completion occurs or Second Tranche Completion occurs, as applicable;
- (b) with respect to any Claim related to Fundamental Warranties, no later than 10 (Ten) years from the First Tranche Completion Date or Second Tranche Completion Date occurs, as applicable;
- (c) with respect to any Claim arising out of breach or inaccuracy of a Company Warranty, no later than 4 (four) years from the First Tranche Completion Date or Second Tranche Completion Date occurs, as applicable; and
- (d) with respect to any Claim arising out of a Specific Indemnity Item, no later than 5 (five) years from the First Tranche Completion Date.
- (e) with respect to any Claim arising out of a Tax Claim, 7 (seven) years from the end of the financial year in which the First Tranche Completion occurs.

There shall be no time limit within which an Indemnified Party must make a Claim in case of any Loss arising due to fraud or wilful or intentional misconduct or gross negligence of any Indemnifying Party Notwithstanding anything to the contrary, in relation to any Claim which has been notified by the Purchaser Indemnified Party to the Indemnifying Parties prior to the expiry of the periods mentioned above, the obligation of the Indemnifying Parties under clause 8 shall continue with respect to that claim.

#### 5. Monetary limits

The Indemnifying Parties will not be liable under this Agreement in respect of any Loss arising from any single transaction/ circumstance or a series of related transactions/ circumstances unless: (i) the

amount of the Loss is at least INR 3,00,000 (Indian Rupees Three Lakhs) (“**De Minimis Threshold**”); and (ii) the cumulative aggregate of such De Minimis Threshold is at least INR 15,00,000 (Indian Rupees Fifteen Lakhs). The Parties hereby agree that the Purchaser will be entitled to amounts only in excess of the De Minimis Threshold.

It is hereby agreed that the indemnification obligations of the Indemnifying Parties shall be capped and will not exceed Aggregate Consideration:

The maximum aggregate liability (i) of the Seller in respect of all Losses (whether collectively or individually) under this Agreement will not exceed the Purchase Consideration paid to such Seller; and (ii) of the Company and Founders in respect of all Losses (whether collectively or individually) under this Agreement will not exceed the Aggregate Consideration.

Notwithstanding anything above, there shall be no monetary limit for any claim in the case of fraud, willful misconduct or gross negligence of the Seller or the Company.

6. The Seller will not be liable in respect of any indemnity claim if and to the extent that, the Losses, in respect of such indemnity claim has been recovered by the Indemnified Party under another indemnity claim made pursuant to this Agreement or under any insurance or otherwise.
7. No indemnity claim may be brought against the Indemnifying Parties by the Indemnified Party prior to the First Tranche Completion Date.
8. The Indemnified Parties will procure that all reasonable steps are taken (including, from the First Tranche Completion, by the Company) to avoid or mitigate any loss or damage which it may suffer in consequence of any breach by the Indemnifying Party of the terms of this Agreement or any fact, matter, event, or circumstance likely to give rise to a claim.
9. Direct Claims
  - a. If any Indemnified Party seeks indemnification under this Agreement, it will, as soon as reasonably practicable after such Indemnified Party becomes aware of any Losses or amounts due under clause 8 (*Indemnification*), give written notice (each, a “**Claim Notice**”) to the relevant Indemnifying Party briefly describing the claim and the Losses or amounts due under clause 8 (*Indemnification*) for which the Indemnified Party is asserting a Claim.
  - b. If the Indemnifying Party disputes the Claim Notice (a “**Claim Dispute**”), the Indemnifying Party shall, within 30 (thirty) Business Days of the receipt of the Claim Notice, notify the Purchaser of the same by way of a written notice (a “**Claim Dispute Notice**”). The parties to the Claim Dispute shall attempt to amicably resolve the Claim Dispute through discussions within 30 (thirty) Business Days from the date of receipt by the Purchaser of the Claim Dispute Notice. If the Claim Dispute is not so resolved, then the Claim Dispute shall be resolved by arbitration in accordance with clause 14 of this Agreement (*Dispute Resolution*). If the Indemnifying Party does not timely dispute the Claim, it shall pay the amount which is the subject matter of the Claim within 10 (ten) Business Days of the expiry of the 30 (thirty) Business Day period referred to in the first sentence of this Para 6 (b).

#### 10. Third Party Claims

- a. If a Claim is made against the Purchaser Indemnified Party by any third party ("**Third Party Claim**") or if the Purchaser Indemnified Party receives notice of any potential claim that would be expected to result in a Third Party Claim, and in respect of which the Purchaser Indemnified Parties may make a claim for indemnification, in accordance with the terms of this Agreement, against the Indemnifying Party, then the Purchaser Indemnified Party shall notify the Indemnifying Party of such Third Party Claim in writing within 15 (Fifteen) days ("**Third Party Claim Notice**"). Notwithstanding the foregoing, if the Third Party Claim Notice is not delivered within the abovementioned time period, the Indemnifying Party shall not be relieved of its indemnity obligations, except and only to the extent the Losses are increased due to such delay.
- b. Upon receipt of the Third Party Claim Notice, the Indemnifying Party shall be entitled to assume defence of such Third Party Claim, provided it notifies to the Purchaser Indemnified Party within 15 (Fifteen) days of the receipt of the Third Party Claim Notice that it would assume defence of the Third Party Claim and such notice also confirms that it shall keep the Purchaser Indemnified Party(ies) appropriately informed of matters pertaining to such actions and consult the Purchaser Indemnified Party(ies) in good faith with respect to the conduct of such defence. Upon assuming the defence of the Third Party Claim as aforesaid, the Indemnifying Party shall be entitled take such action, at its own cost and expense with respect to such Third Party Claim, in such manner as they deem fit, provided that it shall not consent to entry of any judgment or enter into any settlement without the prior written approval of the Purchaser Indemnified Party, unless any such judgment or settlement discharges the Purchaser Indemnified Party from all liabilities and/or obligations. The Indemnifying Parties shall not be entitled to assume or maintain control of the defense of any Third Party Claim and shall pay the reasonable fees and expenses of the counsel retained by the relevant Purchaser Indemnified Persons if (i) the Third Party Claim relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation, (ii) the relevant Purchaser Indemnified Persons reasonably believes that an adverse determination with respect to the Third Party Claim would be detrimental to the reputation or future business prospects of such Purchaser Indemnified Persons or any of its Affiliates, (iii) the Third Party Claim seeks an injunction or equitable relief against the Purchaser Indemnified Persons or any of its Affiliates, or (iv) the Indemnifying Parties have failed or is failing to prosecute or defend vigorously the Third Party Claim and Purchaser Indemnified Persons Person(s) is/are required to take defense of such Third Party Claims
- c. In relation to any Third Party Claim, if (i) the Indemnifying Party does not assume control of such Third Party Claim within a period of 30 (Thirty) Business Days from the date of receipt of the Third Party Claim Notice and does not inform the Purchaser Indemnified Party of its choice regarding whether or not it wishes to assume control of the Third Party Claim; the Purchaser Indemnified Party may take such action (including legal proceedings and appointing independent legal counsel, at the cost of the Indemnifying Parties) as they deem necessary, provided that any settlement or entry into judgement shall be undertaken only with the prior approval of the Indemnifying Party.

#### **Seller's Indemnification in respect of Tax Claims**

1. In respect of any Tax Claim, the following procedure shall be followed:

- (a) If any Tax Authority issues any notice ("**Specified Tax Notice**") to any Tax Indemnified Person in connection with any Tax Claim, then the relevant Tax Indemnified Person shall, within 3 (three) Business Days of receiving such Specified Tax Notice (along with a copy thereof) or as soon as reasonably possible in case the due date mentioned in the Specified Tax Notice is a shorter period, give notice of the such Tax Claim to the relevant Seller in writing ("**Tax Notice Intimation**") ("**Specified Tax Proceedings**").

The Purchaser and the Sellers agree that, a failure to provide an intimation under this clause 1(a) shall not relieve the Indemnifying Party of its indemnification obligations. It is clarified for the avoidance of doubt that the delay or failure of the Tax Indemnified Person to intimate under this clause 1(a) shall not in any manner affect, diminish or prejudice the right of the Tax Indemnified Persons unless and to the extent, the Liability for the Claim, is enhanced/impacted solely on account of such failure or delay by the Indemnified Parties and such delay or failure that materially precludes the Tax Indemnified Person from effectively defending the Specified Tax Proceedings, in which case such enhanced Liability will be to the account of the Tax Indemnified Person and not the Indemnifying Party.

- (b) If there is a delay or there is likely to be a delay in filing response to the Specified Tax Notice beyond the last date specified in the Specified Tax Notice, then the Tax Indemnified Person may, with the prior written approval of the relevant Seller (which shall not be unreasonably withheld, conditioned or delayed) seek additional time for response in written or oral communication with the Tax Authority in good faith and this shall not be considered as non-compliance of Tax Indemnified Person under this Clause.
- (c) The relevant Seller shall have the right, exercisable by giving written notice to the Purchaser within 15 (fifteen) days of the receipt of the Tax Notice Intimation, to assume the preparation, defence, conduct and settlement of any Specified Tax Proceeding at its own expense, provided, however, that:
- (i) the relevant Seller shall upon request keep the Purchaser reasonably informed of all material developments relating to such defence;
  - (ii) the Tax Indemnified Persons shall extend commercially reasonable cooperation, if requested by the relevant Seller, in the defence of such proceedings undertaken by the relevant Seller; and
  - (iii) the relevant Seller shall not consent to entry of any judgment or enter into any settlement without the prior written consent of the Tax Indemnified Person (which consent shall not be unreasonably withheld, conditioned or delayed).

In the event any proceedings relating to a non-monetary Liability are initiated against any of the Tax Indemnified Persons under the IT Act, the Tax Indemnified Persons shall have the right but not an obligation to take control of such prosecution proceedings, provided however that, in the event that the Tax Indemnified Persons choose to take control of such proceeding, the Tax Indemnified Persons shall at all times keep the Indemnifying Party informed of all such proceedings and the positions adopted thereunder. If the Tax Indemnified Persons choose to take control of the prosecution proceedings, the exercise of such option shall be without prejudice to the obligations of the relevant Seller to indemnify

the Tax Indemnified Persons for the Losses incurred or suffered by the Tax Indemnified Persons towards the Tax Claim arising out of such prosecution proceedings.

- (d) In event pursuant to a Tax Event, the Tax Authority passes an order against the Tax Indemnified Person to pay a Tax Claim, the Tax Indemnified Person shall provide a copy of such order to the relevant Seller within 3 (three) days from the date of receipt of order and such relevant Seller shall forthwith deposit (and in any event 5 (five) days prior to the last date of deposit) the amount required to be deposited under the order with the Tax Authority (on behalf of the Tax Indemnified Person) or with the Tax Indemnified Person, to enable the Tax Indemnified Person to deposit the Tax Claim within the timeframe prescribed in the order. Upon deposit of an amount equal to the Tax Claim, the relevant Seller shall promptly provide evidence of such deposit to the Tax Indemnified Person.
- (e) In the event that the relevant Seller exercises its right to defend a Specified Tax Proceeding by giving a written notice as set out in clause 1.3 (c) above, then subject to the adherence by the relevant Seller of the provisions of clause 1.3 (c) in general:
  - (i) the Tax Indemnified Person shall not make any payment to the relevant Tax Authority, or consent to entry of any judgment, enter into any settlement, or initiate any verbal or written communication with the relevant Tax Authority, in each case with respect to such Specified Tax Proceeding, without the prior written approval of the relevant Seller (unless specified otherwise hereunder), and
  - (ii) the Tax Indemnified Person shall not respond to any inquiry received from the relevant Tax Authority with respect to such Specified Tax Proceeding without the prior written approval of the relevant Seller (unless specified otherwise hereunder).
- (f) In the event that the relevant Seller does not assume control over a Specified Tax Proceeding or does not respond to the queries/ demands of the Tax Authority as per the process described above, then the Tax Indemnified Person shall have the right but not the obligation to assume control over such Specified Tax Proceeding or settle such Specified Tax Proceeding at its own discretion. If the Tax Indemnified Person assume control over any such Specified Tax Proceedings and/or elect to defend such Tax Event, the relevant Seller shall cooperate and share the relevant material as may be requested by the Tax Indemnified Person and on a timely basis in order to assume defence of the Specified Tax Proceeding. The Tax Indemnified Person shall keep the relevant Seller reasonably informed of all developments relating to such defence. The Tax Indemnified Person shall intimate, and provide a copy to the relevant Seller, of all submissions, filings, communications and/or payments made by the Tax Indemnified Person to the Tax Authorities in the course of any Specified Tax Proceedings.
- (g) It is hereby clarified that all defence costs incurred by the Tax Indemnified Person shall be reimbursed by the Seller at actuals within 15 (fifteen) Business Days of being notified of such defence costs.
- (h) Obligation of the relevant Seller to make a payment in relation to settlement of Specified Tax Proceeding:

- (i) The relevant Seller undertakes to pay, either pending a final non-appealable decision (following the expiry of any stay order, injunction or deferral in relation thereto) or upon resolution of Tax Claim (as determined through a settlement or a final judgment or order or ruling of Tax Authority or where such judgment or ruling is not appealed), if required by the Tax Authorities as a condition to resolving the claims set forth in the Specified Tax Notice, such amounts imposed as a result of the Specified Tax Proceeding to the relevant Tax Authorities before the applicable due date of such amounts or to the Tax Indemnified Person at least 5 (five) Business Days before the applicable due date of such amount as applicable.
  - (ii) For the avoidance of doubt, it is clarified that the relevant Seller shall be entitled to exercise all legal remedies available including to seek a stay, injunction or deferral of the payment ("**Tax Injunctive Order**") of any amounts that are required to be paid by the Tax Indemnified Person in relation to the Tax Claim set forth in the Specified Tax Notice. It is further clarified till such time as the Tax Injunctive Order is in force, the relevant Seller shall not be obligated to make any payment to the Tax Indemnified Persons.
- (i) If any amount is paid by the relevant Seller to the Tax Indemnified Person under this clause, the Tax Indemnified Person shall notify the relevant Seller in writing, as soon as practicable and not later than 2 (two) Business Days of the applicable due date of such amounts, of the deposit of such amount along with evidence of payment to the Tax Authorities. The relevant Seller shall be entitled to request for such other reasonable documents that may be required in relation to such payment.

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## SCHEDULE 13

### SECOND TRANCHE PURCHASE CONSIDERATION

- Enterprise Valuation: Amount equal to 3 (three) times of the Net Revenue determined on an annualised basis for the period preceding 4 (four) months from the Second Tranche Completion Date
- Equity Valuation: Enterprise Valuation (Less) Second Tranche Net Debt
- Second Tranche Net Debt: Any outstanding debt (Less) any cash & cash equivalents

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## **SCHEDULE 14**

### **IMMOVABLE PROPERTIES**

1. No Objection Certificate dated 31 March 2018 issued by Mr. Ashit Sheth, director of the Company, to use the premises situated at 106, Maker Bhavan, No.3, New Marine Lines, Mumbai- 400020.
2. No Objection Certificate dated 10 March 2020 by Mr. Ashit Seth, director of the Company, to use the premises situated at 701/702 Leela Apartment, SV Road, Vile Parle (West) Mumbai-400056.