

# **SHARE PURCHASE AGREEMENT**

**DATED 24 MARCH 2021**

**AMONGST**

**MTR FOODS PRIVATE LIMITED**

**AND**

**MR. NAVAS MEERAN**

**AND**

**MR. FEROZ MEERAN**

**AND**

**OTHER SHAREHOLDERS LISTED IN SCHEDULE 1**

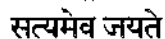
**AND**

**EASTERN CONDIMENTS PRIVATE LIMITED**

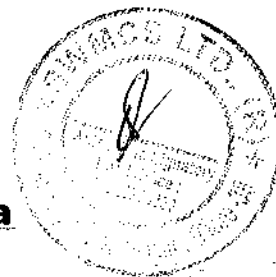


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## Government of Karnataka



## e-Stamp

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|---------------------------|---------------------------------------------------------------|
| Certificate No.           | : IN-KA70587877377877T                                        |
| Certificate Issued Date   | : 08-Mar-2021 07:19 PM                                        |
| Account Reference         | : NONACC (FI)/ kacrsf108/ INDIRA NAGAR1/ KA-BA                |
| Unique Doc. Reference     | : SUBIN-KAKACRSFL0816942964087138T                            |
| Purchased by              | : MTR FOODS PRIVATE LIMITED                                   |
| Description of Document   | : Article 5 Agreement relating to Sale of Immoveable property |
| Description               | : SHARE PURCHASE AGREEMENT                                    |
| Consideration Price (Rs.) | : 0<br>(Zero)                                                 |
| First Party               | : MTR FOODS PRIVATE LIMITED                                   |
| Second Party              | : EASTERN CONDIMENTS PRIVATE LIMITED                          |
| Stamp Duty Paid By        | : MTR FOODS PRIVATE LIMITED                                   |
| Stamp Duty Amount(Rs.)    | : 1,000<br>(One Thousand only)                                |



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1. The authenticity of this Stamp certificate should be verified at '[www.shcilestamp.com](http://www.shcilestamp.com)' or using e-Stamp Mobile App of Stock Holding.
2. Any discrepancy in the details on this Certificate and as available on the website / Mobile App renders it invalid.
3. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

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*This stamp page forms an integral part of the Share Purchase Agreement executed by and between MTR Foods Private Limited, Mr. Navas Meeran, Mr. Feroz Meeran, Other Shareholders listed in Schedule 1 and Eastern Condiments Private Limited*

## SHARE PURCHASE AGREEMENT

This Share Purchase Agreement (**Agreement**) is executed on this the 24th day of March 2021 (**Execution Date**).

### BY AND AMONGST

### PARTIES

- (1) **MTR FOODS PRIVATE LIMITED**, a company incorporated under the laws of India, with corporate identification number U15136KA1996PTC021007 and permanent account number AAACM9878K, having its registered office at No. 1, 2<sup>nd</sup> & 3<sup>rd</sup> Floor, 100 Feet Inner Ring Road, Ejipura, Ashwini Layout, Vivek Nagar, Bangalore - 560047, Karnataka, India (**MTR**, which expression shall, unless it is repugnant to the subject or context hereof, be deemed to include its successors and permitted assigns);

**AND**

- (2) **MR. NAVAS MEERAN**, aged about 51 years, holding Indian passport bearing number T5579920 and residing at Villa No. 2, Promenade Gardens, Pavor Road, Padivattom, P.O Ernakulam 682024 (**NM**, which expression shall, unless it is repugnant to the subject or context hereof, be deemed to include his legal heirs, executors and representatives);

**AND**

- (3) **MR. FEROZ MEERAN**, aged about 37 years, holding Indian passport bearing number Z2878371 and residing at Manalumparayil House, Adimali P O, Idukki - 685561 (**FM**, which expression shall, unless it is repugnant to the subject or context hereof, be deemed to include his legal heirs, executors and representatives);

**AND**

- (4) **THE PERSONS LISTED IN SCHEDULE 1 (Other Shareholders)**, which expression shall, unless it is repugnant to the subject or context hereof, be deemed to include their legal heirs, executors and representatives);

**AND**

- (5) **EASTERN CONDIMENTS PRIVATE LIMITED**, a company incorporated under the laws of India, with corporate identification number U15499KL1989PTC005449 and having its registered office at MP – VI, 151A, Eastern Valley, PB No.15, Adimali, Idukki District, Kerala 685 561, India, (**Company**, which expression shall, unless it is repugnant to the subject or context hereof, be deemed to include its successors and permitted assigns).

NM and FM shall, where the context requires, individually be referred to as **Promoter** and collectively be referred to as the **Promoters**. The Promoters and the Other Shareholders are individually referred to as **Current Shareholder** and collectively as **Current Shareholders**.

The Current Shareholders, the Company, and MTR are referred to individually as a **Party** and collectively as the **Parties**.

## RECITALS

- (A) The Company is a private limited company incorporated under the Act and is engaged in the Business.
- (B) Pursuant to the Investment Agreement (*defined below*) executed between the Company, McCormick Ingredients Southeast Asia Private Limited (**McCormick**) and certain other parties, McCormick acquired 25,10,794 (Twenty Five Lakhs Ten Thousand Seven Hundred and Ninety Four) Equity Shares, being 26% (twenty six percent) of the share capital of the Company (**McCormick Shares**). As of the Execution Date (i) the Current Shareholders are collectively the legal and beneficial owners of 71,46,106 (Seventy One Lakhs Forty Six Thousand One Hundred and Six) Equity Shares being 74% (seventy four percent) of the share capital of the Company; and (ii) McCormick is the legal and beneficial owner of the McCormick Shares.
- (C) MTR is a private limited company incorporated under the Act and is engaged in the business of manufacturing, distribution and sales of convenience foods such as instant food mixes and vermicelli, spices and masalas, milk-based products, confectionary and beverages, and trading of certain food products such as snacks, spices and spice mixes, pickles, papads and oral care products. The ultimate holding company of MTR is Orkla ASA. The shareholding pattern of MTR as on the Execution Date is set out in Part A of Schedule 4 (*MTR Share Capital*).
- (D) The Parties had executed a share purchase agreement dated 4 September 2020 setting out the terms on which MTR would acquire the Sale Shares (*defined below*) from the Current Shareholders (**2020 Promoter SPA**). Simultaneous with the execution of the 2020 Promoter SPA, MTR, the Company and the Promoters had executed a share purchase agreement with McCormick setting out the terms on which MTR would acquire the McCormick Shares from McCormick (**2020 McCormick SPA**). The outer timeline of 21 December 2020 was extended to 30 April 2021 (**Extended Long Stop Date**). After such extension, on account of certain commercial developments and exigencies, it has become improbable to complete the transactions contemplated under the 2020 Promoter SPA and the 2020 McCormick SPA (**Original Transaction**) by the Extended Long Stop Date, in the manner contemplated in the Original Transaction.
- (E) Accordingly, the Parties have discussed the matter and further to such deliberations, in order to be able to give effect to the intent of the Parties within an agreeable and commercially viable timeframe, the Parties have agreed to terminate the 2020 Promoter SPA and the 2020 SHA (*defined below*), and have executed this Agreement to set out the revised terms on which MTR will acquire the Sale Shares from the Current Shareholders.
- (F) Simultaneous with the execution of this Agreement, MTR has executed a share purchase agreement with McCormick, the Promoters and the Company (**McCormick SPA**), for the acquisition of the McCormick Shares from McCormick. It is the understanding of the Parties that the transaction set out under this Agreement and the Promoter Transaction Documents is a composite transaction whereunder (i) MTR will acquire the Sale Shares from the Current

Shareholders under this Agreement (**Sale Transaction**) simultaneous with acquisition of the McCormick Shares under the McCormick SPA (**McCormick Closing**) such that upon completion of the acquisitions, MTR will hold 67.82% (sixty seven point eight two percent) of the share capital of the Company on a Fully Diluted Basis and (ii) subsequently, the Company and MTR will file a scheme of amalgamation with the jurisdictional National Company Law Tribunal (**NCLT**) for the merger of the Company into MTR, pursuant to which the Promoters will be issued such number of shares in MTR to achieve the Promoters Shareholding in MTR (*defined below*) (**Proposed Merger**).

- (G) The Parties are entering into this Agreement in order to set out the rights and obligations of the Parties including in relation to the Sale Transaction and the Proposed Merger, and other matters in connection therewith. This Agreement supersedes the 2020 Promoter SPA in its entirety and simultaneous with the execution of this Agreement and the Shareholders' Agreement (*defined below*), the 2020 Promoter SPA and the 2020 SHA stands terminated.

## 1. DEFINITIONS

In this Agreement, the following words and expressions (including in the recitals hereof or schedules hereto) shall, unless the context requires otherwise, have the following meanings ascribed to them:

- 1.1. **2020 SHA** means the shareholders' agreement dated 4 September 2020 with respect to MTR, executed amongst the Promoters, MTR, and Orkla, which is being terminated simultaneous to the execution of this Agreement.
- 1.2. **Act** means the Companies Act, 1956 and the Companies Act, 2013 (as amended from time to time and any statutory modification or re-enactment thereof), to the extent notified by the Central Government in the Official Gazette of the date on which the provisions of the Companies Act, 2013 have or will come into force. Provided that if the Central Government appoints different dates for the coming into force of different provisions of the Companies Act, 2013, then the term "Act" will refer to only those notified provisions of the Companies Act, 2013 and in all other cases, the term "Act" will refer to the Companies Act, 1956;
- 1.3. **Act of Insolvency** shall occur with respect to any Person upon:
- (a) such Person being adjudicated as being unable to, or such Person admitting in writing its inability to, pay its debts of such amount, which could lead to initiation of insolvency proceedings against such Person under Applicable Law, as they fall due, or, by reason of actual or anticipated financial difficulties such Person commencing negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness, other than any rescheduling which is in the ordinary course of business;
  - (b) the net worth of such Person having been completely eroded;
  - (c) a moratorium being declared upon such Person by a competent authority, which moratorium has the effect of restricting, inter alia: (i) any enforcement action against such Person; (ii) institution or pendency of any suits or legal proceedings; (iii) the recovery of any property by an owner or lessor where such property is occupied by or

in the possession of the Person; or (iv) transferring, Encumbering or disposing of any assets of the Person;

- (d) the admission of an insolvency resolution process against such Person in accordance with the (Indian) Insolvency and Bankruptcy Code, 2016 (as amended) or Applicable Law for the time being in force, which is not challenged within 15 (fifteen) days of notice thereof and withdrawn within 15 (fifteen) days of notice thereof being taken; or
- (e) any action, legal proceedings or other procedure or step (which action, legal proceedings or other procedure or step which is not challenged within 15 (fifteen) days of notice thereof and withdrawn within 15 (fifteen) days of notice thereof) being taken in relation to:
  - (i) bankruptcy, insolvency, winding-up, dissolution or provisional reorganization of such Person, which reorganization is attributable to a failure of such Person to repay his/her/its debts (by way of voluntary or involuntary arrangement, scheme of arrangement or otherwise); or
  - (ii) a composition or compromise, in relation to any indebtedness with institutional creditors of such Person, arising out of, or in relation to a failure in repayment of 25% (twenty five percent) of the total indebtedness of institutional creditors of any Party, calculated as on the end of the last Financial Year, other than if such compromise or composition is in the ordinary course of business; or
  - (iii) the appointment of a liquidator, receiver, administrator, or other similar officer in respect of such Person or any of its assets; or
  - (iv) enforcement of any security over any assets of such Person or failure of such Person to repay his/her/its debts;

1.4. **Additional Payment** has the meaning assigned to the term in Clause 15.14;

1.5. **Advance Purchase Consideration** means a sum of INR 51,75,99,618 (*Rupees Fifty One Crores Seventy Five Lakh Ninety Nine Thousand Six Hundred and Eighteen only*) to be paid by MTR to NM in accordance with this Agreement;

1.6. **Affiliate** of a Person (a) not being a natural Person (the **Subject Person**) means, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls or is Controlled by or is under common Control with the Subject Person; and (b) being a natural Person (the **Natural Person**) means, any Relative of such Natural Person, or any Entity which is Controlled by or is under common Control with such Natural Person or his/her Relative(s);

1.7. **Agreed Claim Amounts** has the meaning assigned to the term in Clause 15.7(b);

1.8. **Agreed Form** in relation to any document, means a draft of that document the form of which has been agreed between MTR and the Promoters;

- 1.9. **Amended Articles** mean the Articles as amended to incorporate and give effect to the relevant provisions of this Agreement in Agreed Form;
- 1.10. **Anti-Competition Legislation** means any Applicable Law relating to competition or anti-trust;
- 1.11. **Anti-Corruption Legislation** means any Applicable Law relating to bribery, money laundering and other corrupt practices including but not limited to such laws implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the US Foreign Corrupt Practices Act (FCPA) (as amended) and the UK Anti-bribery Act (as amended);
- 1.12. **Applicable Law** means, with respect to any Person, all applicable statutes, enactments, acts of legislature or parliament, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court or, any recognized stock exchange(s) on which such Person or its Affiliates are listed, as may be relevant, including the Oslo Stock Exchange, as applicable to such Person;
- 1.13. **Approvals** mean all approvals, as may be required, from: (a) the Government of India or any other Governmental Authority, including without limitation any Consent required under Applicable Law; or (b) any Third Party; for the consummation of the transactions under this Agreement;
- 1.14. **Arbitration Rules** has the meaning assigned to the term in Clause 20.1;
- 1.15. **Arms' Length Basis** means that the terms are consistent with market practice and those actually made in comparable transactions between independent enterprises, in similar circumstances;
- 1.16. **Articles** means the articles of association of the Company in force from time to time;
- 1.17. **Balance Sheet Date** means 30 June 2020;
- 1.18. **Big4 Firm** means any of Deloitte, Ernst and Young, KPMG and PricewaterhouseCoopers and their respective affiliates or member firms;
- 1.19. **Big4 Firm Certificate** means the certificate to be issued by a Big4 Firm specifying the status of Tax proceedings (along with evidence from the income tax website in respect of the same) if any, in respect of the Current Shareholders together with the reliance letter to be issued in favour of MTR (**Reliance Letter**);
- 1.20. **Board** means the board of directors of the Company as constituted from time to time;
- 1.21. **Board Meeting** means a meeting of the Board;
- 1.22. **Books and Records** means all books and records of the Company and the Subsidiaries, including, without limitation, financial, corporate, statutory, operation and sales books, books of account, sales and purchase records, lists of suppliers and customers, business reports, plans

and projections and all other documents, files, correspondence, and other data and information, financial or otherwise, required to be maintained under Applicable Law;

- 1.23. **Business** means the business of manufacture, distribution, marketing and/or sale of the Company Products;
- 1.24. **Business Day(s)** means a day (excluding Saturdays, Sundays or any other banking holiday) on which banks are open for business (including for dealings in foreign currency, deposits and exchange) in Bangalore, India; Kochi, India; Oslo, Norway and Singapore;
- 1.25. **Cash Escrow Account** means the escrow account to be set up in accordance with the Cash Escrow Agreement to be operationalised prior to the redemption of the MTR ROCPS as contemplated in this Agreement and the Shareholders' Agreement;
- 1.26. **Cash Escrow Agreement** means the agreement to be executed amongst MTR, the Promoters and the Escrow Agent in respect of the Cash Escrow Account in Agreed Form;
- 1.27. **Claim Certificate** has the meaning assigned to the term in Clause 15.7(a);
- 1.28. **Charter Documents** means, collectively, the Articles and the Memorandum;
- 1.29. **Claim Decision** means the award of the arbitral tribunal pursuant to a Dispute in respect of a Direct Claim;
- 1.30. **Closing** means the occurrence of all the events under Clause 7;
- 1.31. **Closing Date** means the date on which Closing occurs;
- 1.32. **Closing Sale Shares Purchase Consideration** means the Sale Shares Purchase Consideration less the Advance Purchase Consideration;
- 1.33. **Company Disclosure Document** means the disclosures by the Promoters which shall be qualifications to the Company Warranties, which shall be in Agreed Form;
- 1.34. **Company MAC** means any event, condition, or effect which individually or in aggregate would be materially adverse to the business, operations, assets, condition (financial or otherwise), or prospects of the Company or its Group Entities or the ability of the Company to perform its obligations under this Agreement, in each case including any materially adverse (i) change; (ii) event; (iii) development; or (iv) effect; arising from or relating to (a) general business or economic conditions, (b) national or international political or social conditions, (c) financial, banking or securities markets, (d) change in Indian GAAP, (e) change in Applicable Law, or (f) changes in health conditions (including as a result of any epidemic or pandemic or disease outbreak). An event, condition, or effect shall be considered to be "materially adverse" if on account of such event, condition or effect, the expected EBITDA of the Company for the Financial Year ending 31 March 2021 which would be reported in the annual financial statements of the Company for such period is likely to be lower than INR 900,000,000 (*Rupees Nine Hundred Million*), provided (a) the EBITDA in respect of the Tea Business; and (b) Transaction Costs shall be excluded for such computation;

- 1.35. **Company Warranties** mean the Company Fundamental Warranties, the Company Non-Fundamental Warranties and the Company Tax Warranties;
- 1.36. **Company Fundamental Warranties** mean the warranties set out in Sections 2 (*Information*), 3 (*Share Capital*), 4 (*Validity of this Agreement*), 5 (*Non Contravention*), 7 (*Corporate Actions*), 10 (*Intellectual Property Rights*) (except for the warranties set out in Section 10.3 (*Information Technology and Systems*)), 14 (*Insolvency*), 15 (*Anti-Competitive Arrangements*), 16 (*Anti-Corruption Legislation and Ethical Business Practices*), and 24 (*Related Party Transactions*) (except for the warranty set out in Section 24.4) of Schedule 9;
- 1.37. **Company Non-Fundamental Warranties** mean the warranties set out in Schedule 9 other than the Company Fundamental Warranties and the Company Tax Warranties;
- 1.38. **Company Products** mean straight spice powder (i.e. single ingredient spice powder), blended spice powders, pickles, rice powders and other rice-based products and "ready to cook" and "ready to eat" range of food products;
- 1.39. **Company Tax Warranties** mean the warranties set out in Section 30 of Schedule 9;
- 1.40. **Confidential Information** has the meaning assigned to the term in Clause 17.1;
- 1.41. **Consent** means any licence, permit, approval, consent, order, ratification, permission, qualification, waiver or authorisation;
- 1.42. **Control** (including with correlative meanings, the terms **Controls, Controlled by and under common Control with**) means the direct or indirect beneficial ownership of or the right to vote in respect of, directly or indirectly, more than 50% (fifty percent) of the voting shares or securities or the power to control the majority of the composition of the board of directors or the power to create or direct the management or policies by contract or otherwise or any or all of the above;
- 1.43. **CP Satisfaction Date** means the date on which MTR confirms its acceptance of the Second Completion Certificate in accordance with Clause 5.4;
- 1.44. **Company Enterprise Valuation** has the meaning assigned to the term in Part A of Schedule 5;
- 1.45. **CXO Agreement - Company** means the agreement to be executed between NM and the Company in Agreed Form at Closing;
- 1.46. **CXO Agreement - MTR** means the agreement to be executed between NM and MTR in Agreed Form on the Closing Date but to be effective from the Merger Effective Date;
- 1.47. **Current Shareholder Bank Account** means the bank accounts designated by the Current Shareholders as identified in the First Completion Certificate;

- 1.48. **Current Shareholder Tax Disclosure Document** means the disclosures by the Current Shareholders which shall be qualifications to the Current Shareholder Tax Warranty at Clause 13.3(b) and Clause 13.3 (c), which shall be in Agreed Form;
- 1.49. **Current Shareholder Tax Warranties** has the meaning assigned to the term in Clause 13.3;
- 1.50. **Current Shareholder Warranties** has the meaning assigned to the term in Clause 13.2;
- 1.51. **De Minimis** has the meaning assigned to the term in Clause 15.9(a);
- 1.52. **Direct Claim** has the meaning assigned to the term in Clause 15.7(a);
- 1.53. **Director** means a director on the Board;
- 1.54. **Dispute** has the meaning assigned to the term in Clause 20.1;
- 1.55. **Disputing Parties** has the meaning assigned to the term in Clause 20.1;
- 1.56. **Encumbrance/Encumber** means any mortgage, charge (whether fixed or floating), pledge, lien (statutory or other), claim, assignment, hypothecation, trust, security interest, right of other Persons (including right of pre-emption, right of first refusal), beneficial interest, title defect, title retention, voting interest agreement, interest, option, commitment, easement, encumbrance, restriction or limitation of any nature (including on transfer, use, voting, non-disposal, or exercise of any other attribute of ownership) or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person, in each case under any arrangement or any agreement written or oral whether conditional or otherwise, voluntary or under Applicable Law, to create any of the foregoing and includes any right granted by a transaction which in legal terms is not the granting of security but which has the economic or financial effect similar to the granting of security;
- 1.57. **Entity** means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organisation or entity whether or not required to be incorporated or registered under Applicable Law;
- 1.58. **Equity Shares** means ordinary equity shares of the Company having the par value of INR 10 (Rupees ten) each;
- 1.59. **Escrow Agent** means Citibank India;
- 1.60. **Escrow Agreement** means the agreement to be executed amongst MTR, the Promoters and the Escrow Agent in respect of the Escrowed Shares in Agreed Form;
- 1.61. **Escrowed Shares** means all the Shares continued to be held by the Promoters (post the Closing Date) constituting 32.18% (thirty two point one eight percent) of the share capital of the Company on a Fully Diluted Basis;

- 1.62. **Existing Business** means the business in which the Promoters (directly or indirectly) are involved, as specifically defined in the Shareholders' Agreement;
- 1.63. **Existing Company Tax Proceedings** means the Tax proceedings set out in the Company Disclosure Document or Updated Company Disclosure Document as the case may be;
- 1.64. **Export Control Legislation** means any Applicable Law relating to the export, transfer, use, supply or trade in goods or technology or provision of technical assistance in any jurisdiction;
- 1.65. **External Loan Agreements** means the facility agreements dated 20 February 2020 executed between the Promoters, Avendus Finance Private Limited and certain other parties in connection with loans obtained by Freenaz Properties Private Limited and Locus Constructions Private Limited;
- 1.66. **FEMA Valuation Certificate** means a certificate issued by a chartered accountant certifying the per Share price as required under the Indian exchange control regulations;
- 1.67. **Financial Statements** means the true and complete copies of the balance sheet, profit and loss account and cash flow statement (including schedules and notes thereto) and such other statements required to be prepared by the Company in accordance with Applicable Law and under Indian GAAP following the end of each Financial Year, together with the auditor's report thereon and notes thereto;
- 1.68. **Financial Year** means the period of 12 (twelve) months starting from 1st April of each calendar year and ending on 31 March of the following calendar year;
- 1.69. **First Completion Certificate** means the certificate to be delivered by the Promoters to MTR (a) confirming that each of the First Conditions Precedent has been fulfilled or requesting for a waiver in accordance with the terms of this Agreement; and (b) setting out the details of the Current Shareholder Bank Accounts;
- 1.70. **First Conditions Precedent** means the conditions precedent to Closing in Agreed Form;
- 1.71. **Fully Diluted Basis** shall in the context of any determination of a share or a percentage in the aggregate share capital of a Person be undertaken assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable or exchangeable), options (including sweat equity and employee stock options), warrants, including but not limited to any outstanding commitments to issue shares at a future date whether or not due to the occurrence of an event or otherwise of such Person have been so converted, exercised or exchanged, all on an "as if converted" basis where "as if converted" basis means as if such instrument, option or security had been converted into shares;
- 1.72. **Governmental Authority** means any applicable government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions pursuant to Applicable Laws, of or pertaining to government, or any other government authority including any taxation authority, agency, department, board, commission or instrumentality or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental or non-governmental self-

regulatory organisation, agency or authority, including applicable stock exchanges; having jurisdiction over the Company, any of the Parties, any shareholder or the assets or operations of any of the foregoing, or any of the transactions contemplated hereby;

- 1.73. **Group Entities** means the Company, its Subsidiaries and the Joint Venture Company;
- 1.74. **Identified Related Entities** means:
- (a) Eastea Chai Private Limited
  - (b) Eastern Aqua Minerals
  - (c) Vazahukulam Rubbers
  - (d) Eastern Mattresses Private Limited
  - (e) Nanma Properties Private Limited
  - (f) Eastern Treads Limited
  - (g) Adimali Agro Food Industries
  - (h) Reenaz Properties Private Limited
  - (i) Eastern Retreads Private Limited
  - (j) Eastern Agencies
  - (k) Eastern Clothing Co.
  - (l) Diet Fibre 365 Food Products Private Limited; and
  - (m) NKF Realtors Private Limited;
- 1.75. **Indemnified Party** has the meaning assigned to the term in Clause 15.4;
- 1.76. **Indemnifying Party** has the meaning assigned to the term in Clause 15.4;
- 1.77. **India Business Day** means a day (excluding Saturdays, Sundays or any other banking holiday) on which banks are open for business (including for dealings in foreign currency, deposits and exchange) in Bangalore, India and Kochi, India;
- 1.78. **Indian GAAP** means the generally accepted accounting practices as applicable in India;
- 1.79. **Company Equity Valuation** has the meaning assigned to the term in Clause 4.1;
- 1.80. **Injunctive Order** has the meaning assigned to the term in Clause 15.6(c)(ii)(C);
- 1.81. **INR or Rupees or Rs.** means Indian Rupees or the lawful currency of the Republic of India;
- 1.82. **Intellectual Property** means all intellectual property that the Company or its Group Entities own or use or is licensed to use in India or elsewhere and includes all patents, models, rights in inventions (whether patentable or not), trade and service marks, trade dress, rights in logos, domain names, get-up and trade names and the goodwill attaching to any of them, right in designs, copyrights, moral rights, topography rights, rights in databases, trade secrets including know-how, recipes, formulations, production technology and processes, techniques, technical information, business data, plans, drawings, and blue prints, photographs, confidential information, technology, computer programmes, and any rights, interest or forms of protection of a similar nature, including without limitation, all economic and exclusive rights to reproduce, fix, adapt, modify, translate, create derivative works from, introduce into circulation, publish,

distribute, sell, license, sublicense, transfer, transmit or provide access electronically, broadcast, display, enter into computer memory, or otherwise use any portion or copy, in whole or in any form, directly or indirectly, or to authorise or assign others to do so having equivalent or similar effect to any of them which subsist anywhere in the world, in all cases whether or not registered or registerable and including registrations and applications for registration or grant of any of these and rights to apply for the same;

- 1.83. **Investment Agreement** means the agreement dated 28 June 2010, entered into amongst the Current Shareholders, the Company, McCormick and Late Mr. M.E. Meeran (as amended through the amendment agreement dated 29 October 2010);
- 1.84. **IT Act** means the Income Tax Act, 1961;
- 1.85. **Joint Venture Company** means Eastern Condiments Middle East & North Africa FZC;
- 1.86. **Key Employees** means the following employees of the Company:

| Sr. No | Name                | Designation                              |
|--------|---------------------|------------------------------------------|
| 1.     | K. Krishna Kumar    | (Chief procurement officer)              |
| 2.     | Saji Varghese       | (Van sales - Kerala)                     |
| 3.     | Lovely Baby         | (General manager)                        |
| 4.     | Saramma Biju        | (Assistant general manager)              |
| 5.     | Adarsh A            | (Deputy general manager - manufacturing) |
| 6.     | Salaam              | (Manufacturing)                          |
| 7.     | Krithika PV         | (General manager - sales)                |
| 8.     | Sivapriya Balagopal | (R&D)                                    |
| 9.     | Vijesh I.V.         | (Finance)                                |
| 10.    | Bindu VR            | (Human resources)                        |
| 11.    | Vinod Nair          | (Assistant general manager - logistics)  |
| 12.    | KUS Prabhakar       | (General manager-treasury)               |
| 13.    | Neelakantan Kushal  | (General manager-sales)                  |
| 14.    | Ragee Raju          | (Company secretary)                      |
| 15.    | Biju Job            | (Marketing)                              |
| 16.    | Ajit Joseph         | (Deputy General Manager)                 |
| 17.    | Gangadharam C       | Head of Rest of India – (GT) Business    |

- 1.87. **Lender** means Avendus Finance Private Limited;
- 1.88. **Litigation** means any action, claim, demand, suit, proceeding, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending by or before any Governmental Authority or arbitrator;
- 1.89. **Long Stop Date** means a day which is no later than 10 (ten) Business Days from the Execution Date or such other later day as may be mutually agreed in writing by MTR and the Promoters, provided that if a notice of material breach has been issued under Clauses 18.1(d) or 18.1(e) below, the Long Stop Date shall stand appropriately extended;

- 1.90. **Loss(es)** means actual losses, damages, claims, amounts, fines, interest, expenses, costs (including reasonable attorney fees), liabilities or injuries (including those arising out of or based upon or in relation to any Tax Liability, any action, suit, judgment, award, demand, settlement) but shall exclude indirect and remote losses, punitive, consequential or other exemplary damages as disallowed by Section 73 of the Contract Act, 1872;
- 1.91. **Management Accounts** means the true and complete copies of the balance sheet, profit and loss account and cash flow statement (including schedules and notes thereto) prepared in accordance with Applicable Law and under Indian GAAP, for the period between 31 March 2020 and the Balance Sheet Date;
- 1.92. **MD Agreement** means the agreement to be executed between FM and the Company in Agreed Form at Closing;
- 1.93. **Memorandum** means the memorandum of association of the Company in force from time to time;
- 1.94. **Merger Application** means the application to be filed in the jurisdictional NCLT in respect of the Proposed Merger including the scheme of amalgamation and other applicable affidavits, declarations and other documents in Agreed Form;
- 1.95. **Merger Closing Date** means the date on which the MTR Issue Shares are issued to the Promoters;
- 1.96. **Merger Effective Date** has the meaning assigned to the term in Clause 12.1;
- 1.97. **Merger Order** has the meaning assigned to the term in Clause 12.1;
- 1.98. **MTR Amended Articles** means the articles of association of MTR in Agreed Form, to be adopted on the Merger Closing Date;
- 1.99. **MTR Board** means the board of directors of MTR as constituted from time to time;
- 1.100. **MTR Directors** has the meaning assigned to the term in Clause 10.1(a);
- 1.101. **MTR Enterprise Valuation** has the meaning assigned to the term in Part B of Schedule 5;
- 1.102. **MTR Equity Shares** means equity shares of MTR of par value of INR 10 each;
- 1.103. **MTR Equity Valuation** has the meaning assigned to the term in Clause 9.4;
- 1.104. **MTR Indemnification Claim** has the meaning assigned to the term in Clause 15.1;
- 1.105. **MTR Issue Shares** has the meaning assigned to the term in Clause 2.2(c);

- 1.106. **MTR ROCPS** means redeemable optionally convertible preference shares of MTR of par value of INR 10 each to be issued to the Promoters in accordance with this Agreement and the Merger Application and which shall have the terms as set out in the Shareholders' Agreement;
- 1.107. **MTR Shares** means MTR Equity Shares or MTR ROCPS or both, as the context may require;
- 1.108. **Operating Committee** has the meaning assigned to the term in Clause 10.2(b);
- 1.109. **Ordinary Course of Business** means the ordinary and normal course of the Company's Business, consistent with its past practice and business policies and which is also in accordance with Applicable Law;
- 1.110. **Orkla** means, individually or collectively, as the context may require, Orkla Asia Pacific Pte Ltd and Orkla Food Ingredients AS;
- 1.111. **Orkla ASA** means Orkla ASA, a listed public company incorporated under the laws of Norway, having its head office at P.O. Box 423 Skøyen, 0213 Oslo, Norway;
- 1.112. **Person** means any natural person or an Entity;
- 1.113. **Pledged Shares** mean the Shares held by the Promoters which have been pledged pursuant to the External Loan Agreements, constituting 20% (twenty percent) of the share capital of the Company on a Fully Diluted Basis;
- 1.114. **Promoter Directors** has the meaning assigned to the term in Clause 10.1(b);
- 1.115. **Promoter Event of Default** has the meaning ascribed to the term in Clause 16.1;
- 1.116. **Promoters Shareholding in MTR** means the share capital of MTR that the Promoters will hold on a Fully Diluted Basis pursuant to the issue of the MTR Issue Shares, computed in the manner set out in Schedule 5;
- 1.117. **Promoter Transaction Documents** means the following:
- (a) this Agreement;
  - (b) the Shareholders' Agreement of MTR;
  - (c) the McCormick SPA;
  - (d) the CXO Agreement – Company to be executed on the Closing Date;
  - (e) the MD Agreement to be executed on the Closing Date;
  - (f) the CXO Agreement – MTR to be executed on the Closing Date but to be effective from the Merger Effective Date;

- (g) the Cash Escrow Agreement and the Escrow Agreement to be executed prior to Closing; and
  - (h) any other agreement that is mutually agreed between (i) the Promoters, and (ii) MTR, to be a Promoter Transaction Document;
- 1.118. **Public Servant** has the meaning ascribed to the term in the Indian Penal Code, 1860;
- 1.119. **Related Party** has the meaning ascribed to it under the Act;
- 1.120. **Related Party Dues** means the amounts due from the Identified Related Entities to the Company as on the Closing Date to be paid to the Company in accordance with this Agreement;
- 1.121. **Relative** of an individual means the spouse, parents or children of such individual;
- 1.122. **Representatives** has the meaning assigned to the term in Clause 17.1;
- 1.123. **Resigning Directors** means Mr. Srambickal Mytheen Muhammed, Mr. Manalumparayil Ebrahim Mohamed, Mr. Daniel Zoltan Moorfield and Mr. Malcolm Stuart Swift;
- 1.124. **Sale Share Price** means the per Share price computed basis the Company Equity Valuation;
- 1.125. **Sale Shares Purchase Consideration** means the Sale Share Price multiplied by the number of Sale Shares;
- 1.126. **Sale Shares** mean 4,038,516 Shares to be acquired by MTR from the Current Shareholders at Closing, constituting 41.82% (forty one point eight two percent) of the share capital of the Company on a Fully Diluted Basis as detailed in Schedule 3;
- 1.127. **Second Completion Certificate** means the certificate to be delivered by the Promoters to MTR confirming that the Second Condition Precedent has been fulfilled;
- 1.128. **Shareholders' Agreement** means the shareholders' agreement with respect to MTR of even date executed between the Promoters, MTR, and Orkla, which shall be effective on the Merger Effective Date;
- 1.129. **Shareholder(s)** means the duly registered holder from time to time of any Share of the Company;
- 1.130. **Share(s)** mean any shares in the Company whether they be Equity Shares, preference shares or otherwise;
- 1.131. **Specific Indemnity Matters** means the matters to be agreed in writing between the Promoters and MTR for which the Promoters shall indemnify the Company, MTR and the MTR Directors in the manner set out in this Agreement;
- 1.132. **Subsidiaries** mean BAMS Condiments Impex Private Limited and Eastern Food Speciality Formulations Private Limited;

- 1.133. **Taxation** or **Tax** means all forms of taxation, impositions, duties, imposts, contributions and levies in the nature of taxation including without limitation corporate income tax, transfer taxes, Goods and Service Tax, withholding tax, social security contributions, value added tax, service tax, customs and excise duties, other legal transaction taxes, dividend distribution tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties and any other type of taxes and duties, together with any interest, penalties, surcharges or fines, cess, relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction;
- 1.134. **Tax Authority** means any relevant Governmental Authority, which has the authority to levy any Tax, including a Governmental Authority under the IT Act;
- 1.135. **Tax Collected at Source** or **TCS** means the income-Tax which is required to be collected by NM from MTR at the rate of 0.075% (zero point zero seven five percent) on the Sale Shares Purchase Consideration payable to NM, in accordance with the provisions of sub-section (1H) of section 206C of the IT Act in relation to the sale and purchase of the Shares sold by NM in the manner as contemplated in this Agreement;
- 1.136. **Tax Liability** means any liability with respect to any Tax;
- 1.137. **TCS Amount** means the amount remitted as TCS by MTR to NM along with and simultaneous with the payment of the Advance Purchase Consideration, in accordance with the terms of this Agreement;
- 1.138. **Tea Business** means the business of distribution and sale of the products manufactured by Eastea Chai Private Limited;
- 1.139. **Territory** means the Republic of India, the Kingdom of Saudi Arabia, the United Arab Emirates;
- 1.140. **Third Party** means any Person who is not a party to this Agreement;
- 1.141. **Third Party Claim** has the meaning assigned to the term in Clause 15.6(a);
- 1.142. **Third Party Claim Amount** has the meaning assigned to the term in Clause 15.6(b)(iii);
- 1.143. **Third Party Claim Notice** has the meaning assigned to the term in Clause 15.6(a);
- 1.144. **Threshold Amount** has the meaning assigned to the term in Clause 15.9(a);
- 1.145. **Transaction Costs** means the following costs paid by the Company in connection with the transactions contemplated under the Promoter Transaction Documents: (a) fees payable to legal, financial and tax advisors of the Company, save for any fee or other amount payable to Avendus Capital Private Limited; (ii) data room costs and statutory costs incurred in connection with the actions to be taken as part of the transactions contemplated under the Promoter Transaction Documents; and (c) stamp duty paid on the Promoter Transaction Documents and other instruments executed in connection with the transactions contemplated under the Promoter Transaction Documents;

- 1.146. **Transfer** means sell, give, assign, Encumber or otherwise dispose off in any manner whatsoever directly or indirectly and voluntarily or involuntarily, but shall exclude transmission in accordance with Applicable Law;
- 1.147. **Updated Company Disclosure Document** means the updated Company Disclosure Document provided by the Promoters in accordance with Clause 6.3 containing additional disclosures by the Promoters which shall be qualifications to the Company Warranties arising due to events occurring between the Execution Date and the Closing Date, in Agreed Form;
- 1.148. **Updated Current Shareholder Tax Disclosure Document** means the updated Current Shareholder Tax Disclosure Document provided by the Current Shareholders in accordance with Clause 6.3 containing additional disclosures by the Current Shareholders which shall be qualifications to Clause 13.3(b) of the Current Shareholder Tax Warranties arising due to events occurring between the Execution Date and the Closing Date, in Agreed Form;
- 1.149. **Warranties** means the Current Shareholder Warranties, the Current Shareholder Tax Warranties and the Company Warranties, as the context may require (as qualified by the Company Disclosure Document, the Updated Company Disclosure Document, the Current Shareholder Tax Disclosure Document and the Updated Current Shareholder Tax Disclosure Document as applicable).
- 1.150. Except where the context requires otherwise, this Agreement will be interpreted as follows:
- (a) headings are for convenience only and shall not affect the construction or interpretation of any provision of this Agreement;
  - (b) words of any gender are deemed to include those of the other gender and pronouns importing a gender shall include each of the masculine, feminine and neuter genders, as the case may be;
  - (c) words using the singular or plural number also include the plural or singular number, respectively;
  - (d) the ejusdem generis (of the same kind) rule will not apply to the interpretation of this Agreement;
  - (e) where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have corresponding meanings;
  - (f) reference to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision;
  - (g) reference to any agreement, deed, document or instrument, shall mean a reference to the same as may have been duly amended, modified or replaced. For the avoidance of doubt, a document shall be construed as amended, modified or replaced only if such

amendment, modification or replacement is executed in compliance with the provisions of such document(s);

- (h) references to the words 'including' and 'inter-alia' shall be deemed to be followed by 'without limitation' or 'but not limited to' whether or not those words are followed by such phrases or words of like import;
- (i) references to Clauses and Schedules are to such Clauses and Schedules to this Agreement. Any Schedules are and shall be deemed to constitute an integral part of this Agreement.
- (j) if any provision in this Clause 1 is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement;
- (k) the words "directly or indirectly" mean directly or indirectly through one or more intermediary Persons or through contractual or other legal arrangements, and "direct or indirect" have the correlative meanings;
- (l) when any number of days is prescribed in any document, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day does not fall on a Business Day, in which case the last day shall be the next succeeding day which is a Business Day;
- (m) the rule of construction, if any, that a contract (including a clause, schedule or any part thereof) should be interpreted against the party responsible for the drafting and preparation thereof shall not apply;
- (n) any reference to price per Share or per MTR Share shall be adjusted for any stock splits, consolidation, sub-division, stock dividends or like transactions; and
- (o) the phrase '*the Company shall*' will be construed to mean (i) prior to Closing, the Current Shareholders shall, and (ii) after Closing, the Promoters and MTR shall, exercise their respective voting rights and other rights pursuant to the Promoter Transaction Documents to cause the Company to perform or comply with the stated act or obligation.

## **2. TRANSACTION STRUCTURE**

- 2.1. The Parties agree and understand that the transactions contemplated in the McCormick SPA and under this Agreement are a composite transaction and it is the intention of the Parties that on completion of the entire transaction as contemplated in the McCormick SPA and this Agreement, (a) MTR will be the 100% (one hundred percent) owner of the Business; and (b) the Promoters will hold the Promoters Shareholding in MTR in accordance with the terms and conditions contained herein and the MTR SHA.
- 2.2. The transactions shall be completed in the manner set out below:

- (a) On the Closing Date: (i) McCormick shall sell and MTR shall acquire all the McCormick Shares in accordance with the McCormick SPA; and (ii) the Current Shareholders shall sell, and MTR shall acquire the Sale Shares, such that upon the sale and acquisition of the McCormick Shares and the Sale Shares, MTR shall own 67.82% and the Promoters shall collectively own 32.18% (thirty two point one eight percent) of the share capital of the Company on a Fully Diluted Basis, and the shareholding pattern of the Company shall be as set out in Part B of Schedule 2.
  - (b) Subject to and upon the completion of the actions contemplated in Clause 2.2(a), (i) the Company shall initiate the process for shifting its registered office from Idukki to Bangalore (**RO Application**); and (ii) upon completion thereof, MTR and the Company shall file the Merger Application with the jurisdictional NCLT being National Company Law Tribunal, Bengaluru Bench for the approval of the Proposed Merger. Provided however that in the event that the RO Application is disallowed, then MTR and the Company shall file the Merger Application before the relevant jurisdictional NCLT applicable to MTR and the Company.
  - (c) Subject to the Proposed Merger being approved by the jurisdictional NCLT and upon completion thereof, MTR shall be the surviving entity and the Promoters shall be issued such number of MTR Equity Shares and MTR ROCPS in the proportion set out in this Agreement (**MTR Issue Shares**) to achieve the Promoters Shareholding in MTR in accordance with the terms of this Agreement. The Shareholders' Agreement shall come into effect from the Merger Effective Date.
- 2.3. The Promoters and MTR hereby approve the Proposed Merger on the terms set out in this Agreement and agree to take all such actions including exercising their voting rights in a manner to approve the Proposed Merger, consenting to the dispensation of shareholders' meeting to approve the Proposed Merger and otherwise giving effect to the transactions contemplated in this Agreement. The Promoters and MTR intend for the Proposed Merger to be completed by 31 December 2022 or such other date as may be mutually agreed between them, failing which the further actions to be taken shall be mutually discussed.

### 3. **SALE AND PURCHASE OF THE SALE SHARES**

Subject to the terms of and in accordance with this Agreement, the Current Shareholders agree to sell and MTR, relying on the Warranties, agrees to acquire the Sale Shares on the Closing Date with each Sale Share being free and clear of all Encumbrances, with all rights, title and benefits attaching to them, including voting rights and the right to receive all distributions and dividends declared, paid or made on and from the Closing Date. Subject to the terms of this Agreement and the McCormick SPA, MTR agrees to complete the acquisition of the McCormick Shares and the Sale Shares as a part of the same composite transaction on the Closing Date in accordance with the terms of the Promoter Transaction Documents.

### 4. **SALE SHARES PURCHASE CONSIDERATION**

- 4.1. The equity valuation of the Company for the purposes of determining the Sale Shares Purchase Consideration computed in the manner set out in Part A of Schedule 5 (*Company EV to Company Equity Valuation*) and taking into account the underlying Business comprising of its

tangible and intangible assets including but not limited to plants, machinery, land, building, offices, Intellectual Properties, inventory, receivables, distribution network, goodwill of the Business, recipes and skilled work force is INR 18,79,05,61,539 (Indian Rupees One Thousand Eight Hundred and Seventy Nine Crore Five Lakh Sixty One Thousand Five Hundred and Thirty Nine only) (**Company Equity Valuation**).

- 4.2. The Current Shareholders shall bear all Taxes that are levied on them under Applicable Law in respect of the sale of the Sale Shares, and shall not be entitled to pass on such Taxes to MTR as the purchaser of the Sale Shares. MTR shall bear all Taxes that it is levied on it under Applicable Law in respect of the purchase of the Sale Shares and shall not be entitled to pass on such Taxes to the Current Shareholders as the sellers of the Sale Shares.

## **5. CONDITIONS PRECEDENT TO CLOSING**

- 5.1. The obligation of MTR to acquire the Sale Shares in accordance with this Agreement on the Closing Date, and to proceed with the transactions contemplated in this Agreement and the McCormick SPA, shall be conditional upon the fulfilment (or waiver by MTR at its sole discretion) of the First Conditions Precedent to the satisfaction of MTR, subject to Clause 5.5. The Promoters shall, immediately upon execution of this Agreement, deliver the First Completion Certificate to MTR confirming that the First Conditions Precedent have been fulfilled or requesting for a waiver, as applicable.
- 5.2. MTR shall, immediately upon receipt of the First Completion Certificate, confirm to the Promoters its acceptance of the same, on the basis that the First Conditions Precedent have been satisfied, or if not satisfied, stating the reason of such non-satisfaction in reasonable detail along with the expectation with respect to the manner of satisfaction, in which case the Promoters shall rectify the issue and the provisions of this Clause shall apply until MTR confirms its acceptance of the First Completion Certificate in writing. MTR may at its sole discretion, including without any request from the Promoters, waive the fulfilment of any of the First Conditions Precedent in writing, provided that upon such waiver the liability arising out of the non-fulfilment of such First Condition Precedent shall be deemed to be a Specific Indemnity Matter.
- 5.3. The obligation of each Party to complete the sale and purchase of the Sale Shares in accordance with this Agreement on the Closing Date shall also be subject to the completion by MTR and the Promoters of the following conditions (**Joint Conditions Precedent**) on the Execution Date:
- (a) the FEMA Valuation Certificate having been obtained;
  - (b) the Escrow Agreement and the Cash Escrow Agreement having been executed between MTR, the Promoters and the Escrow Agent; and
  - (c) the conditions precedent of MTR and the Company set out in the McCormick SPA having been completed.
- 5.4. MTR shall, if requested by NM, extend the Advance Purchase Consideration to NM on the Execution Date (together with the TCS Amount applicable on the Sale Shares Purchase

Consideration payable to NM), provided the First Conditions Precedent and the Joint Conditions Precedent have been completed unless waived per the terms of this Agreement (date of such payment, **Advance Consideration Payment Date**). NM shall, immediately upon receipt of the Advance Purchase Consideration, deposit the requisite amount in the escrow account opened pursuant to the escrow agreements executed amongst Freenaz Properties Private Limited, Locus Constructions Private Limited, the Promoters, the security trustee (as identified thereunder) and Federal Bank Limited and ensure that the Pledged Shares are wholly and unconditionally released to the Promoters within 5 (five) India Business Days after the Advance Consideration Payment Date (such release of the Pledged Shares, the **Second Condition Precedent**). The obligation of MTR to acquire the Sale Shares in accordance with this Agreement on the Closing Date, and to proceed with the transactions contemplated in this Agreement and the McCormick SPA, shall be conditional upon the fulfilment of the Second Condition Precedent. The Promoters shall deliver the Second Completion Certificate to MTR confirming that the Second Condition Precedent has been fulfilled along with documentary evidence thereof, and MTR shall immediately thereupon (in any event within the next India Business Day) confirm its acceptance of the Second Completion Certificate in writing.

- 5.5. The Closing shall take place on the CP Satisfaction Date (or such other date as may be mutually agreed between the Promoters and MTR) provided that no notice of a material breach has been issued under either Clauses 18.1(d) or 18.1(e); but Closing shall always be subject to the simultaneous occurrence of closing under the McCormick SPA.

## 6. COVENANTS BETWEEN EXECUTION AND CLOSING

- 6.1. The Current Shareholders covenant with MTR that during the period between the Execution Date and the Closing Date:

- (a) they shall not Transfer their Shares or undertake any commitment or agreement to do so with any Third Party;
- (b) they shall not, directly or indirectly, take any action to initiate, assist, solicit, receive, negotiate or encourage inquiry from any Person including in connection with any proposed private or public offering or acquisition of Shares in preference to or in substitution of the transactions contemplated under this Agreement, or reach any agreement or understanding (whether or not absolute, revocable, contingent, conditional oral, written, binding or otherwise) for the Transfer of the Shares or any interest therein; and
- (c) the Company and the Group Entities shall conduct their respective operations in the Ordinary Course of Business, with due care, and in accordance with current principles and practices of the Company and the Group Entities and the Company and the Group Entities shall not, and the Current Shareholders shall ensure that the Company and Group Entities do not, take any of the actions set out in Schedule 7 (*Pre-Closing Covenants*) without the prior written consent of MTR.

- 6.2. The Promoters may issue the draft of the Updated Company Disclosure Document and Updated Current Shareholder Tax Disclosure Document (each, an **Updated Disclosure Document**) to MTR 2 (two) India Business Days before the Closing Date. MTR shall review the Updated

Disclosure Documents and confirm its acceptance or rejection of the Updated Disclosure Documents or any part thereof to the Promoters within 1 (one) India Business Day of receipt of the Updated Disclosure Documents. In the event that MTR rejects the Updated Disclosure Documents (in full or in part), MTR and the Promoters shall in good faith agree to a mutually acceptable solution such as (a) amendment to the Updated Disclosure Documents (in respect of the disclosure(s) that has been rejected by MTR) to the satisfaction of MTR; or (b) making necessary adjustments to the Company Equity Valuation taking into account the potential liability arising out of the fact or event disclosed; and in the event that the Parties are unable to reach mutual agreement within 1 (one) India Business Days of MTR rejecting the Updated Disclosure Documents (or the relevant part thereof), the liability arising out of the fact or event disclosed shall be deemed to be a Specific Indemnity Matter, and the Parties will proceed to close the transaction in the manner set out in this Agreement.

## **7. CLOSING**

7.1. On the Closing Date and simultaneous with McCormick Closing, the Parties shall complete the actions set out below as applicable to each of them (**Closing**):

- (a) MTR shall wire the Closing Sale Shares Purchase Consideration to the Current Shareholder Bank Accounts in the proportion set out in Schedule 3 and shall issue a copy of such remittance instructions to the Promoters.
- (b) MTR shall provide the Promoters with a copy of the remittance instructions in respect of the consideration amount wired to McCormick for the acquisition of the McCormick Shares.
- (c) The Current Shareholders shall deliver duly executed irrevocable delivery instruction slips to their respective depository participants for the transfer of their respective portion of the Sale Shares and provide a copy of such irrevocable instructions to the Company and MTR.
- (d) Mr. Srambickal Mytheen Muhammed and Mr. Manalumparayil Ebrahim Mohamed shall tender their resignations from the Board in Agreed Form, effective from Closing.
- (e) The Company shall convene a Board Meeting to:
  - (i) approve and record the sale and transfer of the McCormick Shares from McCormick to MTR;
  - (ii) approve the termination of the Investment Agreement in its entirety;
  - (iii) approve and record the sale and transfer of the Sale Shares from the Current Shareholders to MTR;
  - (iv) appoint the MTR Directors as additional non-executive Directors to the Board; and

- (v) authorise a representative to update its statutory registers to reflect the change in members and the Board.
- (f) The Company shall convene another Board Meeting to:
  - (i) take on record the resignation of the Resigning Directors from the Board;
  - (ii) authorise a representative to update its statutory registers to reflect the change in the Board;
  - (iii) (A) approve the shift of registered office from Idukki to Bangalore; (B) authorize the filing of the application before the Regional Director, Southern Region to alter the Memorandum; and (C) authorize the company secretary to appear before the Regional Director, Southern Region;
  - (iv) Provide an in-principal approval to the Proposed Merger;
  - (v) approve the directors' and officers' insurance policy to be availed by the Company which shall be applicable to all the Directors;
  - (vi) approve the execution of the agreements set out in Part A of Schedule 10 (**Closing Agreements**) and Part B of Schedule 10 (**Post-Closing Agreements**), which are in Agreed Form;
  - (vii) approve and adopt the code of conduct, anti-bribery and ethics policy and such other policies which are applicable to MTR as on the Closing Date and as may be required by MTR and the mechanism of implementation thereof shall be mutually agreed between MTR and the Company; and
  - (viii) convene a Shareholders' meeting at short notice to (A) adopt the Amended Articles; (B) approve the RO Application, (C) approve the execution of Joint Venture Agreement to be executed by the Company with Jaleel Holdings Limited and the JV Company, Contract Manufacturing Agreement to be executed between the JV Company and Jaleel Essential Food Industries LLC and Distribution Agreement to be executed between the Company, JV Company and Jaleel Distribution LLC (collectively, **JV Company Documents**); and (D) confirm the appointment of the MTR Directors to the Board.
- (g) The Shareholders' meeting shall be held to (i) adopt the Amended Articles; (ii) approve the RO Application, (iii) approve the execution of JV Company Documents; and (iv) confirm the appointment of the MTR Directors to the Board.
- (h) The Company shall execute the Closing Agreements with the relevant counterparties.
- (i) The Escrowed Shares shall be deposited with the Escrow Agent.

- (j) MTR shall convene a board meeting to grant in principle approval to the Proposed Merger and agree other consequent actions.
  - (k) The Promoters shall deliver to MTR written confirmation from the Related Parties of the Company confirming the dues owed by or to the Group Entities by such Related Parties, as of the Closing Date.
  - (l) The Current Shareholders shall deliver to MTR the Big4 Firm Certificate and Reliance Letter, dated as of the Closing Date, provided that the evidence from the income tax website in respect of Tax proceedings shall be dated 1 (one) day prior to the Closing Date.
- 7.2. Notwithstanding anything contained in this Agreement, it is agreed and understood by all the Parties that the sale and purchase of the Sale Shares under this Agreement shall take place simultaneously with the McCormick Closing. The completion of sale and purchase of the Sale Shares under this Agreement and McCormick Closing under the McCormick SPA are integral parts of the same transaction and MTR shall not be obliged to acquire the Sale Shares unless McCormick Closing occurs simultaneously.

## **8. POST CLOSING**

- 8.1. Upon completion of Closing, the Promoters shall:
- (a) complete the actions identified in Agreed Form (*Conditions Subsequent*) in accordance with the process and timelines set out therein;
  - (b) cause the Company to execute the Post-Closing Agreements with the relevant counterparties within 15 (fifteen) Business Days from the Closing Date; and
  - (c) cause the Identified Related Entities to repay the Related Party Dues to the Company within 15 (fifteen) Business Days from the Closing Date, failing which any unpaid sums shall be liable to an interest of 18% (eighteen percent) per annum calculated from expiry of the 15 (fifteen) Business Days from the Closing Date and until the actual payment of the relevant dues.
- 8.2. The Promoters shall provide monthly written updates to MTR in respect of the progress of each of the 'Conditions Subsequent' pursuant to Clause 8.1(a) that are required to be completed in 60 (sixty) days or more from Closing and in the event that the Promoters become aware of any event or circumstance that will or is likely, in the reasonable opinion of the Promoters, to prevent any of such 'Conditions Subsequent' from being satisfied, they shall forthwith inform MTR in writing.
- 8.3. Upon completion of Closing and within 10 (ten) days thereof, NM shall deposit the TCS Amount with the Tax Authorities, and within 7 (seven) days of such deposit, provide to MTR a copy of the receipt confirming such deposit.
- 8.4. Upon completion of Closing, NM shall file returns in Form 27EQ within 10 (ten) days from the end of the quarter in which Closing takes place, as per Rule 31AA of the Income-tax Rules,

1962 (**IT Rules**), in respect to the TCS Amount deposited by him with the applicable Tax Authorities in relation to the sale and purchase of the Shares. NM shall provide to MTR the appropriate TCS certificate in form 27D as per Rule 37D of the IT Rules within 10 (ten) days from the date of filing the return in accordance with this Clause, subject to same being available for generation in TRACES system, however, NM shall provide to MTR the appropriate TCS certificate no later than 7 (seven) days from the date on which the same is available for generation in TRACES system. MTR shall furnish all necessary details as may be reasonably requested by NM to make such payment and issue the certificate of TCS to MTR. NM shall extend reasonable cooperation to MTR to enable MTR to utilize the credit of the TCS Amount deposited by him with the Tax Authorities.

8.5. Upon completion of Closing, MTR shall report its acquisition of the Sale Shares by filing Form DI with the Reserve Bank of India within 30 (thirty) days of the Closing Date.

8.6. Each of the Promoters shall not at any time Transfer or attempt to Transfer or create any Encumbrance on their Shares except in accordance with this Agreement. Provided, however that:

(a) FM shall at any time be entitled to Transfer upto all his Shares to NM; and

(b) NM shall at any time be entitled to Transfer up to 1% (one percent) of his Shares to FM at any time,

without any restriction or consequence whatsoever provided such Transfers do not in the sole opinion of MTR materially or adversely impact the Proposed Merger in any manner.

8.7. Any Transfer or attempted Transfer of Shares by the Promoters in violation of this Agreement shall be null and *void ab initio*.

8.8. The Company shall not register any such Transfer of the Shares which is in violation of the terms of the Promoter Transaction Documents.

8.9. The Company has filed insurance claims with United India Assurance Company Limited under the Standard Fire and Special Perils Policy having policy number 1011041119P10408992 in respect of the loss of stock and destruction of the cold storage unit on account of the fire in the Theni Facility (**Insurance Claims**). The Promoters shall pay the Company an amount equivalent to the Differential Insurance Claim, if any, by 30 June 2022.

**Differential Insurance Claim** means INR 295,000,000 (INR Two Hundred and Ninety Five Million) minus the amount actually received by the Company till 30 June 2022 in respect of the Insurance Claims, and

**Theni Facility** means the facilities of the Company located at 2-2-15, Eastern Building, Tiruchendur, Boothipuram Road, Mariamman Kovil Patty, Kodangipatty, Theni – 625547.

8.10. In the event that the amounts actually received by the Company as on 30 June 2022 in respect of the Insurance Claim is in excess of INR 295,000,000 (INR Two Hundred and Ninety Five

Million), then such excess amounts received shall be paid by the Company to the Promoters in equal proportion.

- 8.11. The Parties agree that they shall be entitled to the adjustments in the manner as computed and payable in accordance with Schedule 6.

## **9. SHIFTING OF THE REGISTERED OFFICE AND THE PROPOSED MERGER**

- 9.1. Within 15 (fifteen) Business Days of Closing, the Company shall initiate the process for shifting of its registered office from Idukki to Bangalore in the manner prescribed in the Act.
- 9.2. Within 15 (fifteen) Business Days of the successful completion of the shift of registered office, the Company and MTR shall initiate the process for the Proposed Merger before the jurisdictional NCLT. Provided, however that in the event that the RO Application is not approved, then MTR and the Company shall initiate the process for the Proposed Merger before the relevant jurisdictional NCLT.
- 9.3. The Promoters and MTR agree to cooperate with each other to file the RO Application and the Merger Application and complete the merger process in an expeditious manner within the Merger Deadline Date, and to not take any action that may hinder or delay the Proposed Merger in accordance with the terms of the Promoter Transaction Documents.
- 9.4. It is acknowledged and agreed between the Parties that the equity valuation of the Company for the purposes of the Proposed Merger is the Company Equity Valuation and the equity valuation of MTR for the purposes of the Proposed Merger computed in the manner set out in Part B of Schedule 5 (*MTR EV to MTR Equity Valuation*) is INR 43,33,79,93,826 (Indian Rupees Four Thousand Three Hundred and Thirty Three Crore Seventy Nine Lakhs Ninety Three Thousand Eight Hundred and Twenty Six only) (**MTR Equity Valuation**). The number of MTR Issue Shares to be issued to the Promoters to achieve the Promoters Shareholding in MTR has been arrived at basis the swap ratio computed based on the Company Equity Valuation and the MTR Equity Valuation in the manner set out in Part C of Schedule 5 (*Promoters Shareholding in MTR*).

## **10. CONDUCT OF BUSINESS AND GOVERNANCE**

### **10.1. Board Composition**

A majority of the Directors shall be appointed by MTR (**MTR Directors**) who shall be non-executive Directors. The Promoters, who are Directors as on the Execution Date, shall continue to be Directors until the Merger Effective Date (**Promoter Directors**). In the event that the CXO Agreement – Company, or the MD Agreement, as the case may be is terminated for Cause (as defined in the respective agreements), NM or FM, as the case may be, shall *ipso facto* cease to be a Director on the Board.

### **10.2. Operations of the Company**

- (a) It is agreed and understood between the Parties that the Promoters shall continue to perform the duties as being performed by them at the Company as of the Execution

Date. NM will continue to be the Chief Executive Officer of the Company (**CEO**) and be responsible for the operations of the Business in accordance with the terms of his CXO Agreement - Company.

- (b) NM shall, whilst he is the CEO, manage the day to day operations of the Business with the support of an operating committee which shall consist of the division heads of the business who report to NM (**Operating Committee**). The Operating Committee shall, together with NM, review the Business on a monthly basis.
- (c) MTR shall endeavour to appoint a professional CEO after the expiry of the 2<sup>nd</sup> anniversary of the Closing Date, to enable a smooth transition and handover of operations from NM to such CEO (date of such appointment, **CEO Appointment Date**). In the event that the Proposed Merger is completed prior to the expiry of the term of the CXO Agreement - Company, the CXO Agreement - MTR, shall become effective from the Merger Effective Date.
- (d) NM shall cease to be the CEO on the CEO Appointment Date in accordance with the terms of the CXO Agreement – Company or the CXO Agreement – MTR, as the case may be.
- (e) It is expressly clarified that NM shall be required to service the Company or MTR (from the Merger Effective Date) for a cumulative period of 3 (three) years from the Closing Date, whether as CEO and/or otherwise.
- (f) FM will provide services to the Company in accordance with his MD Agreement until the Merger Effective Date.
- (g) The Board may, at its discretion, formulate policies, standards and practices in accordance with which the Business shall be conducted. The Promoters shall at all times adhere to such policies, standards and practices.

### 10.3. **Board and General Meetings**

The process set out in Schedule 8 (*Meetings*) shall be applicable to Board Meetings and General Meetings of the Company.

### 10.4. **Information Rights**

On and from the Closing Date, MTR shall provide the Promoters the following relating to MTR and its business:

- (a) within 30 (thirty) Business Days after the end of each fiscal quarter, the unaudited consolidated balance sheet of MTR as at the end of such quarter and the related unaudited statement of operations and cash flow for such quarter; and
- (b) within sixty (60) Business Days after the end of each Financial Year, the audited consolidated balance sheet of MTR as at the end of such Financial Year and the related statement audited statement of operations and cash flow for such Financial Year.

## 11. DECISIONS OF THE COMPANY

From the Closing Date and until the Merger Closing Date, all decisions of the Company, whether at meetings of the Board or any Committee, General Meeting, by circular resolution or otherwise, shall be taken in accordance with Applicable Law.

## 12. ACTIONS UPON APPROVAL OF THE MERGER SCHEME

12.1. Each of MTR and the Company shall, within 5 (five) days from the receipt of the certified copy of the order passed by the jurisdictional NCLT approving the Merger Application (**Merger Order**), file the Merger Order with the Registrar of Companies (date of such filing, **Merger Effective Date**).

12.2. The following actions shall be taken within 2 (two) Business Days of the Merger Effective Date:

- (a) MTR shall hold a meeting of its board of directors to (i) issue the MTR Issue Shares to the Promoters in the proportion set out in Part B of Schedule 4 to achieve the Promoters Shareholding in MTR; (ii) approve the execution of the CXO Agreement – MTR; and (iii) record the Shareholders' Agreement becoming effective as of the Merger Effective Date; and (iv) convene a shareholders' meeting for approval and adoption of the MTR Amended Articles;
- (b) MTR shall hold a meeting of its shareholders to approve and adopt the MTR Amended Articles;
- (c) MTR shall file the necessary forms with the Registrar of Companies in connection with the actions mentioned at Clauses 12.2 (a) and (b), as required by the Act;
- (d) MTR shall update its statutory registers to reflect the change in members as required by the Act;
- (e) MTR shall issue duly executed and stamped share certificates in respect of the MTR Issue Shares to the Promoters; and
- (f) the CXO Agreement – Company shall stand automatically terminated in its entirety without any further act or deed by any Party subject to payment of all outstanding dues thereunder.

12.3 The following MTR Warranty shall be deemed to have been provided on the Merger Effective Date:

- (a) It has necessary corporate authority, consents, and waivers to issue the MTR Issue Shares in accordance with this Agreement.
- (b) The MTR Issue Shares have been issued in compliance with the provisions of the Applicable Law and the constitutional documents of MTR. Upon such issuance, each

Promoter shall be the sole beneficial and legal owner of their respective MTR Issue Shares with good and transferable title subject to Applicable Law and the MTR Amended Articles, to such MTR Issue Shares free and clear of all Encumbrances with all rights, title and benefits attaching to them, including voting rights and the right to receive all distributions and dividends declared, paid or made on and from the date of issue.

- 12.4 The following Current Shareholder Warranty shall be deemed to have been provided on the Merger Effective Date: each Promoter has the requisite power, authority and capacity to enter into this Agreement, to perform his obligations thereunder, and acquire and hold the MTR Issue Shares and is not subject to an Act of Insolvency.
- 12.5 None of the warranties being provided under Clause 12.3 or Clause 12.4 shall be treated as qualified by any actual, imputed or constructive knowledge of MTR, the Company or the Promoters as the case may be or their respective advisor, and no such knowledge shall prejudice any indemnity claim under this Agreement.

### **13. REPRESENTATIONS & WARRANTIES**

- 13.1. The Promoters jointly and severally represent and warrant to MTR that each of the Company Warranties are true, accurate and not misleading as of the Execution Date, and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date, subject to the Company Disclosure Document and the Updated Disclosure Document, as applicable. Each Company Warranty is separate and independent and subject to the disclosures made by the Promoters to MTR under the Company Disclosure Document or the Updated Company Disclosure Document according to Clause 6.3 (as the case maybe). Provided it is clarified that no disclosure made in the Company Disclosure Document or the Updated Company Disclosure Document (as the case may be) shall be a valid defence to any claim raised in connection with a Company Fundamental Warranty or a Specific Indemnity Matter.
- 13.2. **The Current Shareholders Warranties:**

Each Current Shareholder represents and warrants to MTR in respect of themselves, that each of the following representations and warranties (**Current Shareholder Warranties**) are true, accurate and not misleading (subject to the Articles and the Investment Agreement) as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:

- (a) Each Current Shareholder is the legal, registered and beneficial owner of his respective portion of the Shares, free and clear of any Encumbrances (save and except the pledge created on the Pledged Shares under the External Loan Agreements which shall be released from such pledge prior to Closing) and has full, unrestricted power and unqualified right to execute this Agreement.
- (b) There is no Litigation involving the Shares or which could prevent him from fulfilling his obligations as set out in this Agreement. The Current Shareholder has not received

any notice from any Person claiming to be entitled to the Shares or having any right or interest thereon.

- (c) Each Current Shareholder has the right to exercise all voting rights over and in respect of his respective portion of the Shares. There are no voting trusts or other similar agreements with respect to the Shares.
- (d) No Current Shareholder has executed any conflicting powers of attorney, delegations of authority, proxies or any other similar instruments in relation to the Shares.
- (e) Each Current Shareholder has the requisite power, authority and capacity to enter into this Agreement, to perform his obligations thereunder, and to undertake the transactions contemplated therein, and is not subject to an Act of Insolvency.
- (f) The execution and delivery of this Agreement and the consummation of the transactions contemplated under this Agreement by each Current Shareholder to the extent applicable to such Current Shareholder:
  - (i) do not constitute a breach of Applicable Law;
  - (ii) do not constitute a breach of any agreement to which he is a party, or which applies to him;
  - (iii) constitute a valid and binding obligation on his part, enforceable against him in accordance with its terms; and
  - (iv) do not require any Approval save and except the Approval from the Lender under the terms of the External Loan Agreements, which Approval has been obtained prior to the Execution Date.
- (g) No Current Shareholder has made any claims against the Company (including indemnity claims) which remains outstanding as on date and no Current Shareholder has any reason to believe that any circumstance exists which entitles him to make a claim against the Company with respect to his investment in the Company or in relation to the Shares.
- (h) Save and except the Investment Agreement, no Current Shareholder has executed any other agreement with the Company, McCormick or their Affiliate companies in respect of (i) the Shares; or (ii) which may otherwise affect the Company, or the transactions contemplated under the Promoter Transaction Documents.
- (i) No Current Shareholder is prohibited under applicable Anti-Corruption Legislation and Export Control Legislation to execute this Agreement and consummate the transactions set out in this Agreement.

The Promoter further represents and warrants to MTR that there is no condition or event that will or is likely to prevent or delay the release of the Pledged Shares beyond 5 (five) Business Days from the date on which the Promoters have received the Advance Purchase Consideration.

- 13.3. Each Current Shareholder represents and warrants to MTR that each of the following representations and warranties (**Current Shareholder Tax Warranties**) are true, accurate, complete and not misleading as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:
- (a) Each Current Shareholder is a Tax resident of India.
  - (b) Each Current Shareholder has not received any notice or intimation of any proceedings under the IT Act, which is pending, initiated or to the best of his/her knowledge, threatened against such Current Shareholder except as set out in the Current Shareholder Tax Disclosure Document or the Updated Current Shareholder Tax Disclosure Document, as the case may be.
  - (c) No events have occurred, and no circumstances exist which is likely to result in initiation of Tax proceedings against the Current Shareholders.
  - (d) The Current Shareholders will duly pay unless they have obtained injunctions in respect of all Taxes which become due and payable on completion of pending proceedings mentioned in the Big4 Firm Certificate or Current Shareholder Tax Disclosure Document or the Updated Current Shareholder Tax Disclosure Document, or otherwise and all Taxes accruing or arising on the sale of the Sale Shares as applicable to them.
  - (e) Documents and information furnished by the Current Shareholders to the Big4 Firm for obtaining the Big4 Firm Certificate in accordance with this Agreement are true, accurate, complete and not misleading in any manner.
- 13.4. It is expressly clarified that each Current Shareholder Warranties are being provided by each Current Shareholder in respect of themselves severally.
- 13.5. None of the Current Shareholder Warranties, Current Shareholder Tax Warranties or the Company Warranties shall be treated as qualified by any actual, imputed or constructive knowledge of MTR or any Affiliate or advisor of MTR and no such knowledge shall prejudice any indemnity claim under this Agreement. Provided the Company Warranties shall be subject to the disclosures made by the Promoters in the Company Disclosure Document or the Updated Company Disclosure Document, in accordance with Clause 6.3 (as the case may be) and the Current Shareholder Tax Warranty in Clause 13.3(b) shall be subject to the disclosures made by the Current Shareholders in the Current Shareholder Tax Disclosure Document or the Updated Current Shareholder Tax Disclosure Document, in accordance with Clause 6.3 (as the case may be). Provided further that no disclosure made in the Company Disclosure Document shall be a valid defense to any claim raised in connection with a Company Fundamental Warranty.
- 13.6. **MTR Warranties:** MTR represents and warrants to the Current Shareholders that each of the following representations and warranties (collectively, along with warranties specified in Clause 12.3 shall hereinafter be referred to as **MTR Warranties**) is true, accurate, complete and not misleading as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:

- (a) It has necessary corporate authority, consents and waivers have been obtained, to sign and deliver this Agreement and exercise its rights and perform its obligations under this Agreement.
- (b) It is duly incorporated in the place of its incorporation, validly existing under Applicable Laws and has all requisite corporate power, authority and capacity to enter into the Agreement, to perform its obligations thereunder and to undertake the transactions contemplated therein and is not subject to an Act of Insolvency.
- (c) The execution and delivery of this Agreement and the consummation of the transactions contemplated under this Agreement by it:
  - (i) have been duly authorised by all necessary actions on its part;
  - (ii) do not constitute a breach of Applicable Law by which it is bound;
  - (iii) do not constitute a breach of any agreement including, but not limited to, any financing, joint venture, licensing or technology transfer agreements to which it is a party, or which applies to it;
  - (iv) constitute a valid and binding obligation on its part, enforceable against it in accordance with its terms; and
  - (v) do not require any consent from Third Parties (including any Governmental Authority).
- (d) There are no claims, investigations or proceedings before any court, tribunal or Governmental Authority, body or agency in progress or, pending against or relating to it, which could reasonably be expected to prevent it from fulfilling its obligations as set out in this Agreement or arising from this Agreement.
- (e) It has obtained all Approvals required to undertake, perform and fulfil its obligations as set out in this Agreement or arising from this Agreement.
- (f) It is not prohibited under applicable Anti-Corruption Legislation and Export Control Legislation to execute this Agreement and consummate the transactions set out in this Agreement.
- (g) The share capital of MTR as on the Execution Date is set out in Part A of Schedule 4.
- (h) From the Balance Sheet Date and until the Closing Date, MTR has not (i) declared or paid any dividend or made any distribution in respect of any MTR Share; or (ii) taken any action in respect of winding up or dissolution of MTR.
- (i) The MTR Issue Shares when issued to the Promoters in accordance with this Agreement, shall be issued in compliance with the provisions of the Applicable Law and the constitutional documents of MTR. Upon such issuance, each Promoter shall be

the sole holder of their respective MTR Issue Shares with good and transferable title subject to Applicable Law and the articles of association of MTR, to such MTR Issue Shares free and clear of all Encumbrances with all rights, title and benefits attaching to them, including voting rights and the right to receive all distributions and dividends declared, paid or made on and from the date of issue.

- (j) Apart from the Promoter Transaction Documents, MTR is neither a party to nor aware of any voting trusts or agreements, shareholders' agreements, pledge agreements, buy sell agreements, rights of first refusal, rights of first offer, pre-emptive rights or proxies relating to any securities of MTR.
- (k) MTR is not party to any subsisting agreement for its re-organisation or amalgamation or any such similar arrangement with any other Person.
- (l) No order has been made and to the best of MTR's knowledge, no petition presented or meeting convened for the purpose of considering a resolution for the winding up of MTR and (if applicable) part of the assets or undertaking of MTR or for the appointment of any provisional liquidator and there are no facts or circumstances which could (to the knowledge of MTR) result in such actions being taken.
- (m) MTR has not received any written notice of any proceedings initiated against it under the Insolvency and Bankruptcy Code, 2016.
- (n) MTR has not received any written notice of the appointment of a receiver (including any administrative receiver) in respect of the whole or any part of any of the properties or assets owned by MTR. No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of the properties or assets owned by MTR.
- (o) MTR has not from the period between 4<sup>th</sup> September, 2020 until the Execution Date and the Closing Date:
  - (i) made any offer of employment or an offer to be engaged in any other capacity to any of the Key Employees, or solicited away from the Company any of its customers or clients, or otherwise interfered with the relationship between the Company and any such client or customer including making any negative or disparaging statements or communications about the Company (or any of the other Group Entities);
  - (ii) declared or paid any dividend or made any distribution in respect of any MTR Shares, unless declared prior to the Balance Sheet Date;
  - (iii) effected any changes to its capital structure and shareholding pattern (other than further fund infusion by existing shareholders of MTR) through capital reduction, buy-back or similar arrangements that may be construed as a return on capital to the shareholders; or

- (iv) passed a resolution or taken any action in respect of a corporate restructuring of MTR, including in the nature of buy back or capital reduction, which has the effect of reducing the free reserves of MTR and paying them out to the shareholders of MTR, or winding up or dissolution of MTR, and MTR has not recorded any such resolutions.

None of the warranties being provided under Clause 13.6 shall be treated as qualified by any actual, imputed or constructive knowledge of the Company or the Current Shareholders or advisor of the Company or the Current Shareholders, and no such knowledge shall prejudice any indemnity claim under this Agreement.

- 13.7. Each of the warrantors under Clause 13 undertake to promptly notify the relevant other Party in writing if any of them become aware of any fact, matter or circumstance (whether existing on or before the date of this Agreement or arising afterwards) which would cause any of the Warranties or the MTR Warranties, as the case may be, to become untrue or inaccurate or misleading in any material respect.

#### **14. NON-COMPETE AND NON-SOLICITATION**

- 14.1. In consideration of MTR agreeing to acquire the Company (through a combination of the acquisition of McCormick Shares and the Sale Shares, followed by the Proposed Merger, or as may be otherwise agreed by the Parties) together with its goodwill as contemplated under this Agreement, each Current Shareholder confirms that it does not and agrees that from the Closing Date and until the 5<sup>th</sup> anniversary of the Closing Date (or specifically with respect to the Promoters, such other later time period agreed by the Promoters under the Shareholders' Agreement, the CXO Agreement - Company, the CXO Agreement - MTR, or the MD Agreement, as the case may be), such Current Shareholder shall not directly or indirectly (including through its Affiliates):
  - (a) in the Territory, own, manage, operate, control, be employed with, consult, be engaged by or participate in the ownership, management, operation or control of, or be connected in any manner with, any business of the type and character engaged in or competitive with that conducted by the Company (or any of its Group Entities) on the Closing Date, save and except the Existing Business. For these purposes, ownership of securities of 2% (two percent) or less of a listed company that is engaged in the Business shall not be considered to be competition with the Company (or any of its Group Entities); or
  - (b) persuade or attempt to persuade any potential customer or client to which the Company (or any of its Group Entities) has made a presentation, or with which the Company (or any of its Group Entities) has had discussions (to the extent that they have knowledge), not to hire the Company (or any of its Group Entities); or
  - (c) solicit away from the Company (or any of its Group Entities) for such Current Shareholder or any Person, the business of any Person who is a customer or client of the Company (or any of its Group Entities), as on the Execution Date or in any way interfere with the relationship between the Company (or any of its Group Entities) and

any such person or business relationship (including making any negative or disparaging statements or communications about the Company (or any of its Group Entities)); or

- (d) persuade or attempt to persuade any supplier or vendor or any other business partner of the Company or any of its Group Entities as on the Execution Date to not deal with the Company or any of such Group Entities or in any way interfere with the relationship between the Company (or any of its Group Entities) and any such person or business relationship (including making any negative or disparaging statements or communications about the Company (or any of its Group Entities)); or
- (e) make or attempt in any manner to make any offer for employment or offer to be engaged in any other capacity, or enter into any discussion or negotiations with a view to making an offer of employment, or offer to be engaged in any other capacity, with any of the Key Employees; or solicit services from any of the Key Employees, on its own account or entice or attempt to entice any Key Employees away from the Company. The prohibitions in this Clause 14 shall not prevent any Current Shareholder or its Affiliates at any time from running recruitment advertising campaigns and offering employment to any Key Employees, who may respond to any such campaign, provided that such campaign is not solely designed to circumvent the prohibition mentioned above or to target specific Persons.

14.2. Each Current Shareholder agrees and acknowledges that:

- (a) if it either directly or indirectly were to be involved in any of the activities mentioned in Clause 14.1 above, such involvement would be contrary to the understanding on the basis of which MTR has agreed to enter into this Agreement and complete the transaction contemplated under this Agreement;
- (b) as a shareholder or by its participation in the management and operations of the Company for a substantial period of time, or both, such Current Shareholder has gained comprehensive knowledge of the Business. Such Current Shareholder further acknowledges that by virtue of its association with the Company and by using the knowledge, expertise and information related to the business, the Current Shareholder is capable of offering competition to the business to be carried on by the Company or by MTR, which could cause irreparable harm to the Company and MTR and the conduct of the business of the Company and its Group Entities.

14.3. In view of the above, each Current Shareholder acknowledges that the restrictions against it set out in this Clause 14 are reasonable and that the duration of the restriction contained therein, and extent and application of such restriction is no greater than is necessary for the legitimate protection of the business of the Company and its Group Entities and the goodwill relating to the business of the Company and its Group Entities and the value of the Company being acquired by MTR pursuant to this Agreement.

14.4. If any particular provision or portion of this Clause 14 is adjudicated to be invalid or unenforceable, this Clause shall be deemed amended to delete therefrom such provision or portion adjudicated to be invalid or unenforceable, such amendment to apply only with respect to the operation of such clause in the particular jurisdiction in which such adjudication is made.

The Parties recognize that the performance of the obligations under this Clause is special, unique and extraordinary in character, and that in the event of breach by any Current Shareholder of the terms and conditions of this Clause, MTR shall be entitled, if it so elects, to claim damages for any breach of this Clause, or to enforce the specific performance thereof by such Current Shareholder or to restrain such Current Shareholder from breaching the provisions of this Clause.

## **15. INDEMNIFICATION**

15.1. The Promoters shall jointly and severally indemnify, defend and hold MTR, the Company, and the MTR Directors harmless, as per the procedure set out herein, against any and all Losses suffered by any or all of the Indemnified Parties, arising out of or relating to (each an **MTR Indemnification Claim**):

- (a) any inaccuracy, misrepresentation or any breach of any Warranty provided it is agreed that the Company Non-Fundamental Warranties and the Company Tax Warranties, Current Shareholder Warranties and Current Shareholder Tax Warranties shall be qualified by the Company Disclosure Document or the Updated Company Disclosure Document according to Clause 6.3 as the case may be and Current Shareholder Tax Disclosure Document or the Updated Current Shareholder Tax Disclosure Document, respectively;
- (b) any Tax Liability with respect to the Group Entities that arises post-Closing on account of any act, or omission committed by the Current Shareholders or any of the Subsidiaries prior to the Closing, or relates to a transaction or action prior to the Closing, except liability arising out of the Existing Company Tax Proceedings to the extent it has been factored in the Company Equity Valuation;
- (c) any liability of the Joint Venture Company in respect of any matter related to the period prior to the Closing Date regardless of the date on which such liability arises, to the extent of the Company's shareholding in the Joint Venture Company;
- (d) any claims made or remedies sought by McCormick or its Affiliates against the Company in respect of actions or omissions prior to Closing other than by virtue of the Investment Agreement and the articles of association of the Company in force prior to Closing;
- (e) a breach of any covenant or obligation of the Current Shareholders contained in this Agreement; and
- (f) the Specific Indemnity Matters.

15.2. Given that the intention of the Parties is that MTR will acquire the Company and the Business as contemplated in this Agreement, the Parties acknowledge and agree that any Loss to the Company or in respect of the Business, shall always be deemed to be a Loss to MTR assuming MTR is the 100% (one hundred percent) owner of the Business or 100% (one hundred percent) owner of the Shares, as the case may be.

15.3. MTR shall jointly and severally indemnify, defend and hold the Promoters harmless, as per the procedure set out herein, against any and all Losses suffered by any or all of the Indemnified Parties, arising out of or relating to:

- (a) any inaccuracy, misrepresentation or any breach of any MTR Warranty; and
- (b) a breach of any covenant or obligation of MTR contained in this Agreement.

15.4. Given the intention of the Parties is that the Promoters will acquire Promoters Shareholding in MTR as contemplated in this Agreement, the Parties acknowledge and agree that any Loss to MTR or in respect of the business of MTR, shall be deemed to be a Loss to the Promoters to the extent of the Promoters' Shareholding in MTR provided in the event of an indemnification claim after the Merger Effective Date, a Loss to the Promoters shall be deemed to be a Loss to the extent of their actual shareholding in MTR.

For the purpose of this Clause 15, the Promoters, the Company, MTR and the MTR Directors shall be referred to as the **Indemnifying Parties** or the **Indemnified Parties**, as the context may require.

15.5. The rights of an Indemnified Party pursuant to this Clause 15 shall be in addition to and not exclusive of, and shall be without prejudice to, any other rights and remedies available to Indemnified Party at equity or law including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby, provided the Indemnified Party shall not be entitled to double recovery in respect of the same Loss through an indemnification claim under this Clause 15 as well as through exercise of other rights that may be available to it in law or equity. Provided however that the rights of an Indemnified Party under this Clause 15 shall be the sole monetary remedy of such Indemnified Party in respect of the matters set out in Clause 15.1.

15.6. **Indemnification Procedure – Third Party Claim**

- (a) In the event that any of the Indemnified Parties become aware of any matter or receive a notice of Litigation from a Third Party which has resulted or could result in a Loss (**Third Party Claim**) to such Indemnified Party, the Indemnified Party shall promptly and in any event within the earlier of (i) 15 (fifteen) days of receipt of the Third Party Claim; or (ii) where the due date to respond to such Third Party Claim (including the Third Party Claim raised by a Governmental Authority such as a Tax Authority) provided in such notice is less than 15 (fifteen) days from the date of the notice, then such reasonably shorter time period, notify the Indemnifying Party of such Third Party Claim (**Third Party Claim Notice**) along with a copy of the notice received from the Third Party, and an estimate of Loss arising on account of the Third Party Claim, if available. Provided however, that any delay to so notify the Indemnifying Party shall not relieve the Indemnifying Party from any obligation or liability except to the extent the Indemnifying Party is actually prejudiced by such delay in which case the Indemnifying Party shall not be liable to indemnify the Indemnified Party solely to the extent of the incremental Loss suffered by the Indemnified Party on account of such delay. The delivery of the Third Party Claim Notice shall not preclude the Indemnified Party from raising additional claims if there is any increase in the extent of Losses

actually incurred by the Indemnified Party in addition to the amount claimed in the Third Party Claim. It is clarified that Losses arising out of the same fact or issue shall be deemed to be a single incident of Loss for the purpose of Clause 15.9(a) irrespective of whether the claim is made through one or more Third Party Claim(s).

- (b) In the event that the Third Party Claim relates to any inaccuracy, misrepresentation or any breach of any Current Shareholder Warranties, Current Shareholder Tax Warranties or MTR Warranties, as the case may be, the Indemnifying Party may by giving written notice to the Indemnified Party communicate its intention to either:
- (i) assume, at its expense, the defence of any such Third Party Claim, with the assistance of counsel satisfactory to the Indemnified Party (provided in the event that the Indemnified Party does not communicate its acceptance or rejection of the counsel within 10 (ten) days of receipt of notice from the Indemnifying Party, the Indemnifying Party shall be entitled to appoint a reputable counsel at its discretion), in which case (A) the Indemnifying Party shall not make any representation on behalf of the Indemnified Party, without the prior written consent of the Indemnified Party, (B) the Indemnifying Party shall be liable to make all payments and bear all costs and expenses as may be required during the course of, and as an outcome of, the proceedings with respect to the Third Party Claim, (C) the Indemnified Party shall have the right to participate (but not control) the defence of such Third Party Claim with counsel of its election, at its own cost and (D) the Indemnified Party shall reasonably cooperate with the Indemnifying Party in relation to the conduct of any dispute, defence, compromise or appeal in connection with the Third Party Claim. The Indemnified Party shall not consent to entry of any judgment or enter into any settlement, without the prior written approval of the Indemnifying Party; OR
  - (ii) settle the Third Party Claim in consultation with the Indemnified Party, provided the Indemnifying Party shall ensure that as a term of such settlement, (A) there is no admission of liability by the Company or MTR (as the case may be), and (B) the Indemnified Party is unconditionally released by the Third Party without any further liability. The Indemnified Party shall not consent to entry of any judgment or enter into any settlement, without the prior written approval of the Indemnifying Party; OR
  - (iii) request the Indemnified Party to assume the defence of such Third Party Claim or in the event that the Indemnifying Party after assuming the defence does not defend such Third Party Claim or does not make such interim payments as may be required to be deposited with, or at the direction of the, Governmental Authority, then (A) the Indemnifying Party shall deposit with the Indemnified Party an amount equal to the amount of the Third Party Claim (**Third Party Claim Amount**), (B) the Indemnifying Party shall reasonably cooperate with the Indemnified Party in relation to the conduct of any dispute, defence, compromise or appeal of the Third Party Claim, (C) the Indemnifying Party shall be liable to indemnify the Indemnified Party for Loss arising on account of such Third Party Claim or defense thereof; provided the Third Party Claim

Amount already paid to the Indemnified Party shall be set off from such Loss, (D) the Indemnified Party shall have the sole right to settle the Third Party Claim at any time provided that, in case of such settlement, the Indemnifying Party shall have no further monetary liability towards the Indemnified Party.

- (c) In the event that the Third Party Claim entitles MTR to make an MTR Indemnification Claim otherwise than covered in Clause 15.6(b) above, the Indemnifying Party and the Indemnified Party shall engage in good faith discussions on the merit of such Third Party Claim and the decision to contest or settle the Third Party Claim and the Indemnifying Party shall within 15 (fifteen) Business Days of receipt of the Third Party Claim Notice communicate its intention to settle or contest such Third Party Claim and:
- (i) should the Indemnifying Party wish to settle the Third Party Claim, the Indemnifying Party shall deposit with the Indemnified Party an amount equal to the Third Party Claim within 3 (three) Business Days thereof. The Indemnified Party, at its sole discretion, shall have the option to contest or settle the Third Party Claim, provided (A) the Indemnifying Party shall have no further monetary liability towards the Indemnified Party in excess of such Third Party Claim; and (B) the Indemnifying Party shall reasonably cooperate with the Indemnified Party in relation to the conduct of any dispute, defence, compromise or appeal in connection with the Third Party Claim
  - (ii) should the Indemnifying Party wish to contest the Third Party Claim:
    - (A) the Indemnifying Party shall assume, at its expense the defence of such Third Party Claim, with the assistance of counsel satisfactory to the Indemnified Party, provided that in the event such appointment does not happen within 10 (ten) days, then the Indemnifying Party shall be entitled to appoint any counsel at its discretion, in which case (I) the Indemnifying Party shall be liable to make all payments and bear all costs and expenses as may be required during the course of, and as an outcome of, the proceedings with respect to the Third Party Claim, and (II) the Indemnified Party shall reasonably cooperate with the Indemnifying Party in relation to the conduct of any dispute, defence, compromise or appeal in connection with the Third Party Claim;
    - (B) the Indemnifying Parties shall share drafts of all documents, papers and communication in respect of such Third Party Claim (**Submissions**) with the Indemnified Parties, as far as practicable and in any event prior to sharing such Submissions with the Third Party or filing it before any Governmental Authority. The Indemnified Party shall have the right to review all such Submissions and reject, at its sole discretion, any Submission which is likely to adversely affect the Company or MTR, as the case may be; and
    - (C) in the event that any Governmental Authority (including a Tax Authority) holds any Indemnified Party liable to pay any amount (**Order**), the Indemnified Parties shall provide a copy of the Order to

the Indemnifying Parties within 7 (seven) days from the date of receipt of the Order, and the Indemnifying Parties shall forthwith deposit (and in any event at least 3 (three) days prior to the last date of deposit as indicated in such Order) the amount required to be deposited under the Order (on behalf of the Indemnified Parties) or with the Indemnified Parties, to enable the Indemnified Parties to deposit such amounts within the timeframe prescribed in the Order. Upon deposit of such amounts, the Indemnifying Parties shall promptly provide evidence of such deposit to the Indemnified Parties. Provided however that, if prior to the due date of payment under the Order, the Indemnifying Parties obtain an interim relief from the relevant Governmental Authority to stay or extend the recovery of any amounts sought in relation to such Third Party Claim (**Injunctive Order**), then till such time as the Injunctive Order is in force, the Indemnifying Parties shall not be obligated to pay to the Indemnified Parties any portion of such amount that is stayed or extended by the Injunctive Order. For the avoidance of any doubt, the Indemnifying Parties hereby undertake that all demands by any Governmental Authority of any payments, interim payments, advance payments or issuance of security or bank guarantees towards payment of any such Third Party Claims, whether interim or otherwise, shall be paid by the Indemnifying Parties (unless and to the extent such demand is stayed by an Injunctive Order) to the Indemnified Parties provided in the event that the Indemnifying Party fails to make such payments or after assuming the defence does not defend such Third Party Claim, the Indemnified Party shall be entitled to take over the defence of such Third Party Claim and the provisions of Clause 15.6(c)(i) above shall apply.

The Indemnifying Party shall be liable to indemnify the Indemnified Party within 60 (sixty) days of settlement or Final Adjudication of the Third Party Claim, as the case may be (**Final Due Amounts**) (which shall be grossed up as contemplated in Clause 15.14). **Final Adjudication** shall mean a decision of a Governmental Authority affixing liability on the Indemnified Party, which has not been appealed against within the appeal period prescribed under Applicable Law.

#### 15.7. **Indemnification Procedure – Direct Claim**

- (a) If the Indemnified Party suffers any Losses or becomes aware of any matter which could result in a Loss (save and except any Loss that may arise from a Third-Party Claim), the Indemnified Party shall deliver within 30 (thirty) days of the incurrance of such Loss or becoming aware of any matter which could result in such a Loss, as the case may be, to the Indemnifying Party a certificate (**Claim Certificate**) setting out an estimate of the Loss and the details and documentary evidence reasonably necessary to evaluate the claim (**Direct Claim**). It is clarified that the delivery of the Claim Certificate shall not preclude the Indemnified Party from raising additional claims if after delivering the Claim Certificate there is any increase in the extent of Losses actually incurred than what was stated in the Claim Certificate. If the Indemnifying Party objects to the indemnification of an Indemnified Party in respect of any Losses

claimed in the Claim Certificate, the Indemnifying Party shall, within 15 (fifteen) Business Days after receipt by the Indemnifying Party of the Claim Certificate, deliver to the Indemnified Party a notice to such effect and the Indemnifying Party and the Indemnified Party shall, within 15 (fifteen) Business Days from the date of receipt by the Indemnified Party of such objection, attempt in good faith to agree upon the rights of the respective Parties with respect to the Direct Claim to which the Indemnifying Party shall have so objected. If the Parties succeed in reaching an agreement on their respective rights with respect to any of such Direct Claims, the Parties shall promptly prepare and sign a memorandum setting out that agreement. Should the Parties be unable to agree as to any particular item or items or amount or amounts, the dispute shall be settled in accordance with the procedure set out in Clause 20 (*Dispute Resolution*).

- (b) Direct Claims to which the Indemnifying Party does not object in writing within 15 (fifteen) Business Days of receipt of the Claim Certificate, and Direct Claims, validity and amount of which have been decided through Claim Decision, or which have been settled with the consent of the Indemnifying Party, as described in this Clause 15.7, are referred to, collectively, as **Agreed Claim Amounts** (which shall be grossed up as contemplated in Clause 15.14). Within 60 (sixty) days of any amounts being deemed or determined as Agreed Claim Amounts, the Indemnifying Party shall pay to the Indemnified Party an amount equal to the Agreed Claim Amount by wire transfer, in immediately available funds.

15.8. **Settlement of Claims by the Promoters:** Where the Promoters are the Indemnifying Parties, it is hereby expressly agreed that:

- (a) In the event that the Promoters have not paid any Final Due Amount or Agreed Claim Amounts (**Accumulated Claim**) that is payable to the Indemnified Party on or prior to the Merger Closing Date, it is agreed that (i) failure to make such payment shall not be considered as a breach of this Agreement by the Promoters, and (ii) MTR shall have the right to redeem such number of MTR ROCPS on the Merger Closing Date in accordance with the terms of the MTR ROCPS as set out in the Shareholders' Agreement. MTR shall deposit the proceeds of the redemption in the Cash Escrow Account which shall be wired to MTR towards satisfaction of the Accumulated Claims in accordance with the terms of the Shareholders' Agreement. Provided nothing herein shall be deemed to relieve the Promoters of its obligation to indemnify under this Agreement in the event that redemption value of the MTR ROCPS (as determined in accordance with the Shareholders' Agreement) is less than the Accumulated Claim.
- (b) With respect to Final Due Amounts and Agreed Claim Amounts that is payable after the Merger Closing Date (other than Accumulated Claims), the Promoters shall be liable to pay the same in cash within 60 (sixty) days from the date of determination of such Final Due Amounts or Agreed Claim Amounts, as the case may be, failing which MTR shall have the right to redeem such number of MTR ROCPS in accordance with the terms of the MTR ROCPS as set out in the Shareholders' Agreement. MTR shall deposit the proceeds of the redemption in the Cash Escrow Account which shall be wired to MTR towards satisfaction of the Final Due Amounts or the Agreed Claim Amounts, as the case may be, in accordance with the terms of the Shareholders'

Agreement. Provided nothing herein shall be deemed to relieve the Promoters of its obligation to indemnify under this Agreement in the event that redemption value of the MTR ROCPS (as determined in accordance with the Shareholders' Agreement) is less than the Final Due Amounts or the Agreed Claim Amounts, as the case may be).

15.9. **Limitations of Liability:** The Indemnifying Party's obligation to indemnify any Indemnified Parties under this Agreement, as the case may be, in respect of Losses shall be subject to the following limits:

- (a) The Indemnifying Party shall not be liable: (i) for any single incident of Loss to the Indemnified Parties arising in respect of any Indemnification Claim which is less than INR 2,500,000 (Rupees two million five hundred thousand) (**De Minimis**) in value; and (ii) to indemnify unless and until the aggregate of all such Claims above De Minimis exceed INR 25,000,000 (Rupees twenty five million) in value (**Threshold Amount**), in which case the Indemnifying Party shall be liable to pay the non-De Minimis Claim amounts aggregated for the purposes of reaching the Threshold Amount and not just the amount by which such Threshold Amount is exceeded. Provided nothing in this Clause 15.9(a) shall be applicable to Losses caused on account of (i) breach of the Current Shareholder Warranties, Current Shareholder Tax Warranties and Company Fundamental Warranties; (ii) Specific Indemnity Matters and (iii) fraud and wilful misconduct.
- (b) The maximum amount of liability of MTR to the Promoters under the Promoter Transaction Documents shall not exceed the Promoter Contribution in MTR. For the purposes of this Clause, (i) **Promoter Contribution in MTR** shall mean the value corresponding to the Promoters Shareholding in MTR based on the MTR Equity Valuation; and (ii) **Promoter Shareholding in MTR** means the actual shareholding proposed to be held by the Promoters in MTR pursuant to the Proposed Merger.
- (c) The maximum amount of liability of the Promoters to the Indemnified Parties under the Promoter Transaction Document shall not exceed INR 13,90,50,15,539 (Indian Rupees One Thousand Three Hundred and Ninety Crore Fifty Lakhs Fifteen Thousand Five Hundred and Thirty Nine only) (**Maximum Liability**).
- (d) The maximum amount of liability of the Promoters to the Indemnified Parties shall not exceed INR 4000,000,000 (Rupees Four Thousand Million) for Losses pursuant to the breach of the Company Non-Fundamental Warranties and Company Tax Warranties.
- (e) The liability of the Indemnifying Party under this Clause:
  - (i) shall stand extinguished on the expiry of the applicable statutory limitation period for Loss arising out of (A) breach of the Current Shareholder Warranties or the Company Fundamental Warranties; or (B) fraud; or (C) willful misconduct, (D) Specific Indemnity Matter or (F) breach of the MTR Warranties, as applicable;
  - (ii) shall stand extinguished on the fourth anniversary of the Closing Date in case of breach of the Company Non-Fundamental Warranties;

- (iii) shall stand extinguished on the eighth anniversary from the end of the Financial Year of the Closing Date in case of breach of the Current Shareholder Tax Warranties and the Company Tax Warranties;

It is clarified that in the event that the Claim Certificate or the Third Party Claim Notice, as the case maybe, is provided to the Indemnifying Party in accordance with Clause 15.6(a) within the relevant period mentioned above, such indemnity claim, the rights of the Indemnified Party and the obligations of the Indemnifying Party, shall survive the expiry of the period mentioned above and the Indemnified Party shall be entitled to continue to prosecute such indemnity claim.

- 15.10. If the Indemnifying Party pays an amount in discharge of any indemnification obligation under this Agreement and the Indemnified Parties subsequently recovers from a Third Party (including insurance claims) a sum which indemnifies or compensates the Indemnified Parties, the Indemnified Parties shall pay to the Indemnifying Party the sum recovered from such Third Party to the extent of the amount paid by the Indemnifying Party less any actual costs incurred by the Indemnified Parties in recovering such sum from the Third Party; provided that, after paying such amounts to the Indemnifying Party the Indemnified Parties remain fully compensated in respect of the original Loss incurred. For the avoidance of doubt, it is clarified that where a refund amount is adjusted against an outstanding demand of the Indemnified Party on the basis of a final determination, it will be considered as a recovery. In the event that the Indemnified Party claims and obtains a Tax deduction / Tax credit (provided and to the extent the Indemnified Party is able to recover the amount of the Tax credit from the Indemnifying Party in connection with a Third Party Claim or a Direct Claim) in respect of the Third Party Claim Amounts or Agreed Claim Amounts (in whole or in part), as the case may be, then the Indemnified Party shall refund an amount equivalent to the said Tax deduction / Tax credit claimed by it to the Indemnifying Party, to the extent such Tax deduction is not disallowed by the Tax Authorities. Such Tax deduction / Tax credit amount shall be paid within 60 (sixty) days from the expiry of the statutory time limit for completion of assessment for the relevant Financial Year in which the Third Party Claim Amounts are paid, or Tax deduction / Tax credit on account of Direct Claims is claimed by, the Indemnified Party.
- 15.11. The Indemnified Parties shall not be entitled to recover damages or obtain payment, reimbursement, restitution or indemnity more than once in respect of the same Loss, unless the Indemnified Parties have not recovered their Loss in full at the first instance provided nothing herein shall restrict the Indemnified Party from raising additional claims based on the same cause of action if it suffers additional Loss after having been indemnified for the original Loss. It is agreed that MTR or the Company (as applicable) shall not be entitled to be indemnified in respect of the same Loss in the event that either MTR or the Company as the case may be has already been compensated for such Loss.
- 15.12. It is acknowledged and agreed that the benefit of the Current Shareholder Warranties, the Current Shareholder Tax Warranties and the Company Warranties, and of the indemnities granted under this Clause 15 shall extend to any transferee to whom MTR may subsequently transfer the Shares or the Business.

- 15.13. The Indemnifying Party shall not be liable for any Loss to the extent that it has arisen or increased (in which case the Indemnifying Party shall not be liable only in respect of the incremental Loss) solely on account of:
- (a) any change in accounting policies of the Company or MTR after the Closing Date; or
  - (b) a breach of this Agreement or any other Promoter Transaction Document by the relevant Indemnified Party.
- 15.14. All indemnity payments as contemplated under this Clause 15 shall be paid by the Indemnifying Party net of all Taxes. In respect of any matter in relation to which an Indemnified Party is entitled to be indemnified under this Agreement, the Indemnifying Party shall pay in addition to the Third Party Claim Amount or the Agreed Claim Amount, as the case maybe, a further payment (**Additional Payment**) to the Indemnified Party so that the sum of the Third Party Claim Amount or the Agreed Claim Amount, as the case maybe, and the Additional Payment shall, after deducting from such payments the amount of all Taxes required to be paid in respect of the receipt or accrual of such payments, be equal to the Third Party Claim Amount or the Agreed Claim Amount, as the case maybe.
- 15.15. It shall be the obligation of the Indemnifying Party to obtain Approvals as may be necessary to make the indemnity payments as contemplated under this Clause 15 and the Indemnified Party shall extend reasonable cooperation to the Indemnifying Party to obtain such Approvals.
- 15.16. Each Promoter acknowledges and agrees that in the event it is required to indemnify any Indemnified Party under this Agreement, it shall have no right to pursue any claim, seek damages or reimbursements from the Company or any Group Entity or any right of contribution in respect of such indemnity. MTR acknowledges that it shall not have the right to make any claim against the Promoters for the amounts already adjusted pursuant to Schedule 6, and accordingly such amounts shall not be deemed to be a 'Loss' to MTR.
- 15.17. The Parties agrees that in no event shall a Party be required to be compensated twice, for the same cause of action irrespective of the claim being raised under any Promoter Transaction Document.

## **16. EVENT OF DEFAULT AND OTHER CALL EVENTS**

The provisions of this Clause shall be applicable on and from the Closing Date until the Merger Effective Date.

### **16.1. Promoter Events of Default**

Each of the following shall constitute a **Promoter Event of Default**:

- (a) (i) cessation of employment of NM with the Company due to his resignation (other than for Good Reason (as defined in the CXO Agreement - Company)) before the 3rd

anniversary of the Closing Date or (ii) termination of the employment of NM by the Company for Cause;

- (b) breach of Clause 14 (*Non-Compete and Non-Solicitation*) and Clause 17 (*Confidentiality*); and
- (c) the Promoters exercising their voting rights as shareholders of the Company to disapprove the Proposed Merger or otherwise objecting to the Proposed Merger or the terms thereof before the jurisdictional NCLT.

#### 16.2. Consequences of a Promoter Event of Default

- (a) On the occurrence of a Promoter Event of Default, MTR shall have the right, but not an obligation, and without prejudice to any other rights that it may have against the Promoters, including indemnity rights in accordance with Clause 15, to call upon the Promoters to sell their Shares to MTR or its Affiliates at the EoD Call Price.

MTR may exercise such right by issuing a notice to the Promoters (**EoD Call Notice**) with a copy to the Company. The Company shall within 5 (five) days of receipt of the EoD Call Notice appoint one of the Big4 Firms (**Diligence Expert**) to conduct a financial and tax due diligence on the Company. The Diligence Expert shall determine the (i) normalised EBITDA for the immediately preceding Financial Year (**Normalised EBITDA**); and (ii) ) net cash or debt of the business as the case may be at the end of the immediate preceding Financial Year, inclusive of relevant cash like or debt like items, that should be adjusted to the enterprise value of the Company to arrive at the equity value of the Company (**Bridge**). The Diligence Expert will consider GAAP as applicable to the Company in the evaluation year and market practice for treatment of relevant items to the Bridge in presenting their diligence report (**Diligence Report**). The terms of engagement of the Diligence Expert shall provide that the Diligence Expert shall issue the Diligence Report within 30 (thirty) days of appointment. The final signed Diligence Report shall be adopted by the Board and shall be binding on MTR and the Promoters. The Company shall determine the EoD Call Price in the following manner and communicate the same in writing to MTR and the Promoters (**Call Price Intimation Notice**).

|                          |                                                                        |
|--------------------------|------------------------------------------------------------------------|
| Company Enterprise Value | 17.1 * Normalised EBITDA                                               |
| Company Equity Value     | Company Enterprise Value – Bridge                                      |
| EoD Call Price           | Company Equity Value / Total number of Shares on a Fully Diluted Basis |

- (b) The Parties shall execute a share purchase agreement substantially in the form set out in **Annexure A** to this Agreement (**SPA**) and complete the transfer within 14 (fourteen) days of receipt of the Call Price Intimation Notice. Provided that if an approval from any Governmental Authority is required for the transfer, then all Parties will extend

reasonable cooperation to obtain such approval(s) and the above period will be extended proportionately. It is agreed that the EoD Call Price determined in accordance with this Clause shall be binding on the Parties notwithstanding any delay in completion of the sale and purchase of the Shares on account of the requirement of any approvals from Governmental Authorities.

- (c) Upon issuance of an EoD Call Notice by MTR, the Promoters shall, while continuing to be bound by the terms of this Agreement, cease to have any rights or entitlements under this Agreement. To this end, the Promoter Directors shall be deemed to have vacated office. Provided that, in the event that the Promoter Event of Default has been rectified or has been resolved in favour of the Promoters, the rights or entitlements under this Agreement shall be reinstated in full force and effect, binding on the Parties, without the requirement for any further act or deed of any Party, unless otherwise agreed in writing.

- 16.3. MTR shall have the right, but not an obligation, and without prejudice to any other rights that it may have against the Promoters, including indemnity rights, to call upon the Promoters or their legal heirs to sell their Shares to MTR or its Affiliates at the prevailing fair market value in accordance with Schedule 11 in the event that (a) a Promoter is subject to an Act of Insolvency; or (b) the legal heirs of a Promoter have acquired his Shares through transmission.

## 17. CONFIDENTIALITY

### 17.1. General Obligation for Confidentiality

Each Party agrees and undertakes that such Party and its Affiliates, and their respective directors, officers, managers, employees (including those on secondment), legal, financial and professional advisors and (collectively, **Representatives**) shall not reveal to any Third Party, other than the foregoing parties, any Confidential Information of the other Party or make any public announcements in connection with the transactions contemplated under this Agreement, without the prior written consent of the Company, the Current Shareholders and/or MTR, as the case may be. The term **Confidential Information** as used in this Agreement means (a) any information concerning the organisation, business, intellectual property, technology, trade secrets, know-how, finance, transactions or affairs of the Company or any other Party to this Agreement or any of their respective Affiliates, directors, officers or employees (whether conveyed in writing, orally or in any other form and whether such information is furnished before, on or after the date hereof); (b) the terms and conditions of the Promoter Transaction Documents; (c) except as required to resolve such dispute or to enforce a Party's rights hereunder, any information whatsoever concerning or relating to (i) any dispute or claim arising out of or in connection with the Promoter Transaction Documents; or (ii) the resolution of such claim or dispute; and (d) any information or materials prepared by or for a Party or its Representatives that contain or otherwise reflect, or are generated from, Confidential Information.

### 17.2. Exceptions

The provisions of Clause 17.1 above shall not apply to:

- (a) disclosure of Confidential Information that is or comes into the public domain or becomes generally available to the public other than through the act or omission of or as a result of disclosure by or at the direction of a Party or any of its Representatives in breach of this Agreement;
- (b) disclosure, after giving prior notice to the other Parties to the extent reasonably practical under the circumstances and permissible by Applicable Law, and subject to any practicable arrangements to protect confidentiality, to the extent required under the rules of any stock exchange or by Applicable Laws or governmental regulations or judicial process or generally accepted accounting principles applicable to any Party, provided each Current Shareholder and the Company understand and agree that MTR and its Affiliates will disclose the details of the affairs of the Company and the transactions contemplated under this Agreement, including the Company Equity Valuation, (i) in its statutory reporting to the Oslo stock exchange, (ii) in its quarterly and annual reporting, or (iii) on its website or otherwise;
- (c) Confidential Information acquired independently by a Party from a Third Party source who, to the knowledge of such Party, is not obligated to keep such information confidential;
- (d) Confidential Information already known or already in the lawful possession of the Party receiving Confidential Information as of the date of its disclosure by the Person disclosing such Confidential Information other than any non-public information, regarding the Company already known to the Current Shareholders by virtue of them being in management and board of directors or shareholders of the Company; and
- (e) disclosure in connection with the performance of obligations or the exercise of rights (including remedies) under the Promoter Transaction Documents.

## **18. TERMINATION**

**18.1. Termination Rights:** Subject to the terms hereof, this Agreement may be terminated as follows:

- (a) By the non-defaulting Party being either Promoters or MTR, upon giving written notice to the other Parties if the Closing does not occur by the Long Stop Date;
- (b) By MTR, upon giving written notice to the Promoters, if the Second Condition Precedent has not been fulfilled within the timelines contemplated under this Agreement, subject to MTR having extended the Advance Purchase Consideration in accordance with the terms of this Agreement;
- (c) By the Promoters, upon giving written notice to MTR, if the Promoters have fulfilled the Second Condition Precedent, McCormick has fulfilled its conditions precedent under the McCormick SPA, and yet Closing is not consummated on the CP Satisfaction Date;

- (d) At the election of MTR, if the Current Shareholders have materially breached any of the Warranties or any other covenant or agreement of the Current Shareholders or the Company contained in this Agreement, and such breach cannot be or is not cured within 5 (five) days by the Current Shareholders or the Company, as the case may be, after being notified in writing of the same, provided that from the date of release of the Pledged Shares in accordance with this Agreement, MTR shall not be entitled to terminate the Agreement other than in case of a material breach of the Current Shareholder Warranties, Current Shareholder Tax Warranties or Company Fundamental Warranties or if the transactions contemplated by this Agreement would result in a breach of, or be prohibited by, Applicable Law;
- (e) At the election of the Promoters, if MTR has materially breached any MTR Warranty, or any other covenant or agreement of MTR contained in this Agreement, and such breach cannot be or is not cured within 5 (five) days by MTR, after being notified in writing of the same, provided that from the date of release of the Pledged Shares in accordance with this Agreement, the Promoters shall not be entitled to terminate the Agreement other than in case of a material breach of the MTR Warranties or if the transactions contemplated by this Agreement would result in a breach of, or be prohibited by, Applicable Law; and
- (f) Automatically, if the McCormick SPA is terminated for any reason whatsoever.

18.2. Upon termination of this Agreement:

- (a) NM shall repay the Advance Purchase Consideration, along with the TCS Amount , to MTR:
  - (i) within 5 (five) India Business Days, in the event that the termination is on account of the Promoters failure to have the Pledged Shares released in the manner set out in this Agreement; and
  - (ii) within 15 (fifteen) India Business Days from such termination, in the event that the termination is on account of any other reason.
- (b) all other Promoter Transaction Documents will automatically stand terminated without any further act or deed by any Party.

18.3. The provisions of Clause 17 (*Confidentiality*), Clause 19 (*Governing Law, Venue*), Clause 20 (*Dispute Resolution*), Clause 21 (*Miscellaneous, other than Clause 21.1*) shall survive the termination of this Agreement in accordance with Clause 18.1 above.

**19. GOVERNING LAW, VENUE**

This Agreement shall be governed by and construed in accordance with the laws of India and subject to Clause 20 (*Dispute Resolution*) hereof, the courts at Bengaluru, Karnataka, India shall have exclusive jurisdiction on the matters arising from this Agreement, without regard to the applicable principles of conflicts of laws.

## 20. DISPUTE RESOLUTION

- 20.1. In the event a dispute, controversy or claim (**Dispute**) arises out of or in relation to or in connection with the interpretation or implementation of this Agreement, the Parties (the **Disputing Parties**) shall refer the dispute to binding arbitration by 3 (three) arbitrators in accordance with the rules of the Singapore International Arbitration Centre for the time being in force which rules are deemed to be incorporated by reference in this Clause 20.1 (**Arbitration Rules**). Each Disputing Party shall appoint 1 (one) arbitrator and the 2 (two) arbitrators so appointed shall mutually agree and appoint a 3<sup>rd</sup> (third) arbitrator.
- 20.2. The arbitration shall be conducted as follows:
- (a) the seat and venue of the arbitration shall be:
    - (i) Singapore, if the Dispute relates directly or indirectly to the McCormick SPA, or if an arbitration has been invoked under the McCormick SPA and any Party hereunder claims that disputes also relate directly or indirectly to this Agreement, then such disputes and the Disputes shall be combined and referred to arbitration with the seat and venue in Singapore. The Parties acknowledge that the provisions relating to dispute resolution (including arbitration) under this Agreement and the McCormick SPA are similar and necessary since the transaction involves McCormick which is a foreign entity, and that the transaction under this Agreement and the McCormick SPA are composite and not severable, and hereby consent to the arbitration being conducted in accordance with the provisions of the McCormick SPA for the matters as stated above; and
    - (ii) Bengaluru, for any other dispute;
  - (b) the arbitration proceedings shall be conducted in English;
  - (c) the arbitrator shall have the power to award interest on any sums awarded;
  - (d) the arbitration award shall be final and binding on the Disputing Parties and the Disputing Parties agree to be bound thereby and to act accordingly;
  - (e) the arbitrator may award to a Disputing Party that substantially prevails on the merits, its costs and expenses (including fees of its counsel);
  - (f) the Parties shall bear their respective costs incurred in the arbitration unless otherwise awarded or fixed by the arbitration tribunal; and
  - (g) the Disputing Parties shall co-operate in good faith to expedite, to the maximum extent practicable, the conduct of any arbitral proceedings commenced pursuant to this Agreement.
- 20.3. The costs of the arbitration shall be borne by the Parties as determined by the arbitrator(s) in his award.

## 21. MISCELLANEOUS

- 21.1. **Non-Exclusive Remedies:** The rights and remedies herein provided are cumulative and none is exclusive of any other, or of any rights or remedies that any Party may otherwise have at law or in equity. The rights and remedies of any Party based upon, arising out of or otherwise in respect of any inaccuracy or breach of any representation, warranty, covenant or agreement or failure to fulfil any condition shall in no way be limited by the fact that the act, omission, occurrence or other state of facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, warranty, covenant or agreement as to which there is no inaccuracy or breach.
- 21.2. **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.
- 21.3. **Third Parties:** Nothing in this Agreement, unless expressly provided for herein, is intended to confer upon any Person, other than the Parties hereto and their permitted successors and assigns, any rights or remedies under or by reason of this Agreement.
- 21.4. **No Partnership:** Nothing in this Agreement shall be deemed to constitute a partnership between the Parties or constitute any Party the agent of any other Party for any purpose or entitle any Party to commit or bind any other Party in any manner or give rise to fiduciary duties by one Party in favour of any other.
- 21.5. **Time:** Any date or period as set out in any Clause of this Agreement may be extended with the written consent of the Parties and time shall always be of the essence.
- 21.6. **Joint Draft Product:** This Agreement is a joint draft product of the Parties and any rule of statutory interpretation interpreting agreements against a Party primarily responsible for drafting the agreement shall not be applicable to this Agreement.
- 21.7. **Successors and Assigns:** This Agreement and the rights and obligations herein shall be binding on the successors, legal heirs and permitted assigns of the Parties. This Agreement may not be assigned by the Parties without the written consent of the other Parties, provided that MTR may acquire all the McCormick Shares (subject to the terms of the McCormick SPA) and all the Sale Shares through, and assign its rights and obligations under this Agreement to, an Affiliate (which is either a person resident outside India or a foreign owned and controlled entity as understood under Indian exchange control regulations), without the consent of any of the other Parties, provided such assignment shall not result in any additional liabilities on the Current Shareholders than as set out in this Agreement. It is clarified that the Proposed Merger between the Company and MTR shall have no impact on the Current Shareholders' rights and obligations under this Agreement.
- 21.8. **Entire Agreement:** This Agreement (together with the other Promoter Transaction Documents) constitutes the entire understanding amongst the Parties with regard to the subject matter hereof and supersede all other documents signed and exchanged amongst the Parties

including the 2020 Promoter SPA and the extension letters dated (i) 22 January 2021; and (ii) 14 December 2020 executed between the Promoters and MTR pursuant to the 2020 Promoter SPA. Provided it is clarified that Closing under this Agreement shall be subject to and effected simultaneously with McCormick Closing under the McCormick SPA.

- 21.9. **Termination of the 2020 Promoter SPA:** In accordance with clause 18.1 of the 2020 Promoter SPA, the Parties have agreed that simultaneous with the execution of this Agreement, the 2020 Promoter SPA and all documents executed by or between the Parties pursuant to the 2020 Promoter SPA (**Previous Transaction Documents**) stands terminated in its entirety and subject to clause 18.3 of the 2020 Promoter SPA, the Parties shall have no further rights or obligations under the Previous Transaction Documents.
- 21.10. **Notices:** Unless specifically mentioned otherwise, each notice, demand, consent, agreement or any other communication given or made under this Agreement by any Party shall be in writing (in English language) and delivered or sent either by personal delivery or by courier service or by email addressed to the relevant Party at its address set out below (or such other address as the addressee has by 5 (five) Business Days' prior written notice specified to the other Parties) (**Notice**). Any Notice given or made by letter between countries shall be delivered by registered airmail or international courier service. Without prejudice to the above, any Notice so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party; and (b) if given or made by email, upon dispatch and the receipt of a transmission report confirming dispatch. The initial address and email id for the Parties for the purposes of the Agreement are:

**If to the Company:**

Address: No. 34/137 A, NH Bypass, Edapally (P.O), Kochi, India 682024  
Email: navas@eastern.in  
**Attention:** Mr. Navas Meeran

**If to MTR:**

Address: Drammensveien 149A, 0277 Oslo, Norway  
Email: camilla.robstad@orkla.no  
**Attention:** Camilla Robstad, General Counsel Orkla ASA

*and*

Address: No:1 2nd & 3rd Floor, 100ft Inner Ring Road, Ejipura, Ashwini Layout, Vivekanagar SO Bengaluru 560 047  
Email: sanjay.sharma@mtrfoods.com  
**Attention:** Sanjay Sharma

**With a copy to:**

Address: Prestige Poseidon, No. 139, Residency Road, Bengaluru – 560 025, Karnataka  
Email: Kosturi.Ghosh@trilegal.com

**Attention:** Kosturi Ghosh, Partner Trilegal

**If to the Current Shareholders:**

Address: Villa No. 2, Promenade Gardens, Pavor Road, Padivattom, P.O  
Ernakulam 682024  
Email: navasecpl@gmail.com  
**Attention:** Mr. Navas Meeran

**With a copy to:**

Address: 4th Floor, Kakani Towers, #34, Khader Nawaz Khan Road,  
Nungambakkam, Chennai – 600 006  
Email: sameena.c@icul.in  
Attention Sameena Chatrapathy, Partner, IC Universal Legal

- 21.11. **Amendments and Waivers:** This Agreement may be amended only with the written consent of the Parties. Any amendment or waiver effected in accordance with this Clause 21.10 shall be binding upon all the Parties. No amendment, modification or discharge of this Agreement shall be valid or binding unless set forth in writing and duly executed by the Parties hereto. No waiver shall be valid unless given in writing by the Party or Parties from whom such waiver is sought. Any such waiver shall constitute a waiver only with respect to the specific matter described in such writing and shall in no way impair the rights of the Party granting such waiver in any other respect or at any other time. Neither the waiver by any of the Parties of a breach of or a default under any of the provisions of this Agreement, nor the failure by any of the Parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder.
- 21.12. **Delays or Omissions:** No delay or omission to exercise any right, power or remedy accruing to any Party, upon any breach or default of any Party hereto, shall impair any such right, power or remedy of any Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of any similar breach or default thereafter occurring; nor shall any waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any of any breach or default under this Agreement or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this in the Agreement, or by Applicable Law or otherwise afforded to any Party shall be cumulative and not alternative.
- 21.13. **Counterparts:** This Agreement may be executed and delivered in any number of counterparts each of which shall be an original, but all of which together shall constitute one and the same instrument and any Party may execute this Agreement by signing any one or more of such originals or counterparts. Signatures transmitted by facsimile or e-mail shall be deemed as "original", unless otherwise restricted by Applicable Law or specifically objected to by way of a written notice by any of the other Parties.

- 21.14. **Severability:** Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such in the event of any obligation or obligations being or becoming unenforceable in whole or in part. The invalidity or unenforceability of any individual provision in this Agreement shall in no way affect the validity or enforceability of any other provision herein. In the event of the invalidity or unenforceability of any provision of this Agreement or any provision is declared by a court of competent jurisdiction to be, invalid, illegal or unenforceable, the Parties will immediately negotiate in good faith so as to agree and replace one or more provisions with another, which is not prohibited or unenforceable under Applicable Law and has, as far as possible, the same legal and commercial effect as that which it replaces.
- 21.15. **Costs and Expenses:** Except as otherwise contemplated by this Agreement, each Party shall be responsible for its own fees, costs and expenses incurred in connection with the execution of this Agreement and implementation of the transactions contemplated by this Agreement. Provided that (a) the cost of stamp duty payable under Applicable Law on the Promoter Transaction Documents shall be borne equally by the Promoters and MTR, (b) MTR shall bear the cost of stamp duty payable under Applicable Law and other expenses in respect of the Proposed Merger and the shift of registered office, and (c) the cost of stamp duty payable under Applicable Law in respect of the transfer of the Sale Shares shall be borne equally by the Promoters and MTR.
- 21.16. **Co-operation of MTR and the Current Shareholders:** MTR and the Current Shareholders shall at all times extend full co-operation to the Company and each other to enable them to give full effect to the provisions of this Agreement, including to obtain all applicable consents from the Government of India, the Reserve Bank of India or any other relevant Governmental Authority, as applicable, to give effect to the provisions of this Agreement.

Further, MTR shall provide the Promoters with copies of any notice and/or all written communication issued by a Governmental Authority in connection with the transactions contemplated in the Promoter Transaction Documents, received by it and/or its Affiliates (“**Communication**”) promptly, and in any event, within 2 (two) India Business Days of receipt of such Communication and the Promoters shall comply with the obligations set out under Clause 17 (*Confidentiality*) with respect to such Communication.

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### SCHEDULE 1 – OTHER SHAREHOLDERS

| Sr. No. | Name           | Age (in years) | Indian Passport Number | Address                                                                                      |
|---------|----------------|----------------|------------------------|----------------------------------------------------------------------------------------------|
| 1.      | Niza Zakir     | 50             | Z3683867               | Swadeshi Bunglow, Sabitha Manzil, Feroke, Kozhikode, Kerala - 673 631                        |
| 2.      | Soyamol Sajith | 45             | R4925805               | Flat No.8 A, White Waters, P.K Road, Thevara P.O, Ernakulam, 682013                          |
| 3.      | S.M. Mohamed   | 65             | L7531097               | Srambickal House, Machiplavu.P.O, Mannamkandam, Adimali.P.O., Idukki Dist., Kerala - 685 561 |
| 4.      | Nafeesa Meeran | 78             | K7244112               | Manalumparayil House, Adimali.P.O., Idukki Dist., Kerala - 685 561                           |
| 5.      | M.E. Mohamed   | 78             | J2484407               | Villa No.9, Spring Tide Villas, Tagore Lane, Elamakkara.P.O., Ernakulam, Kerala - 682 026    |
| 6.      | Abacid Aliyar  | 32             | M7494566               | Manalumparayil, Nellimattom, Kothamangalam, Kerala - 686693                                  |

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## SCHEDULE 2 – COMPANY SHARE CAPITAL

### PART A

#### AS ON THE EXECUTION DATE

| Sr. No.      | Name                                             | Number of Shares | Percentage Shareholding |
|--------------|--------------------------------------------------|------------------|-------------------------|
| 1.           | S.M. Mohamed                                     | 65,440           | 0.68%                   |
| 2.           | Navas Meeran                                     | 3,201,180        | 33.14%                  |
| 3.           | Abacid Aliyar                                    | 16,035           | 0.17%                   |
| 4.           | Nafeesa Meeran                                   | 56,770           | 0.59%                   |
| 5.           | Feroz Meeran                                     | 3,201,180        | 33.14%                  |
| 6.           | Niza Zakir                                       | 294,133          | 3.05%                   |
| 7.           | Soyamol Sajith                                   | 294,133          | 3.05%                   |
| 8.           | M.E. Mohamed                                     | 17,235           | 0.18%                   |
| 9.           | McCormick Ingredients Southeast Asia Private Ltd | 2,510,794        | 26.00%                  |
| <b>Total</b> |                                                  | <b>9,656,900</b> | <b>100%</b>             |

### PART B

#### COMPANY SHARE CAPITAL AS ON THE CLOSING DATE

| Sr. No. | Name                      | Number of Shares | Percentage Shareholding |
|---------|---------------------------|------------------|-------------------------|
| 1.      | MTR Foods Private Limited | 6,549,310        | 67.82%                  |
| 2.      | Navas Meeran              | 1,553,795        | 16.09%                  |
| 3.      | Feroz Meeran              | 1,553,795        | 16.09%                  |

### PART C

#### SHARE CAPITAL OF THE SUBSIDIARIES AS ON THE EXECUTION DATE

##### Eastern Food Speciality Formulations Private Limited

| Sr. No. | Name                               | Number of Shares | Percentage Shareholding |
|---------|------------------------------------|------------------|-------------------------|
| 1.      | Eastern Condiments Private Limited | 99,999           | 99.999%                 |
| 2.      | Navas Meeran                       | 1                | 0.001%                  |

##### BAMS Condiments Impex Private Limited

| Sr. No. | Name                               | Number of Shares | Percentage Shareholding |
|---------|------------------------------------|------------------|-------------------------|
| 1.      | Eastern Condiments Private Limited | 19,99,000        | 99.95%                  |
| 2.      | Navas Meeran                       | 1000             | 0.05%                   |

### SCHEDULE 3 – SALE SHARES

| Sr. No. | Current Shareholder | Number of Shares | Sale Shares Purchase Consideration (in INR) | Closing Sale Shares Purchase Consideration (in INR) |
|---------|---------------------|------------------|---------------------------------------------|-----------------------------------------------------|
| 1.      | Niza Zakir          | 294,133          | 572,329,033                                 | 572,329,033                                         |
| 2.      | Soyamol Sajith      | 294,133          | 572,329,033                                 | 572,329,033                                         |
| 3.      | S. M. Mohamed       | 65,440           | 127,334,274                                 | 127,334,274                                         |
| 4.      | Nafeesa Meeran      | 56,770           | 110,464,039                                 | 110,464,039                                         |
| 5.      | M. E. Mohamed       | 17,235           | 33,536,158                                  | 33,536,158                                          |
| 6.      | Abacid Aliyar       | 16,035           | 31,201,178                                  | 31,201,178                                          |
| 7.      | Navas Meeran        | 1,647,385        | 3,205,509,969                               | 2,68,79,10,352                                      |
| 8.      | Feroz Meeran        | 1,647,385        | 3,205,509,969                               | 3,205,509,969                                       |

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## **SCHEDULE 4 – MTR SHARE CAPITAL**

### **PART A**

#### **AS ON THE EXECUTION DATE**

| <b>Sr. No.</b> | <b>Name</b>                    | <b>Number of Shares</b> | <b>Percentage Shareholding</b> |
|----------------|--------------------------------|-------------------------|--------------------------------|
| 1.             | Orkla Asia Pacific Pte Limited | 98,09,209               | 99.9994%                       |
| 2.             | Orkla Food Ingredients AS      | 60                      | 0.0006%                        |

### **PART B**

#### **MTR ISSUE SHARES**

| <b>Sr. No.</b> | <b>Promoter</b> | <b>MTR Equity Shares</b> | <b>MTR ROCPS</b> |
|----------------|-----------------|--------------------------|------------------|
| 1.             | Navas Meeran    | 3,78,763                 | 3,05,564         |
| 2.             | Feroz Meeran    | 3,78,763                 | 3,05,564         |

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## SCHEDULE 5 – VALUATION

### PART A

#### COMPANY EV TO COMPANY EQUITY VALUATION

The enterprise value of the Company is INR 20,00,00,00,000 (Indian Rupees Two Thousand Crores) (Company Enterprise Valuation).

| <b>Enterprise Value to Equity Value</b>                    |                        |
|------------------------------------------------------------|------------------------|
| <b>INR</b>                                                 | <b>30 June 2020</b>    |
| <b>A. Enterprise value</b>                                 | <b>20,000,000,000</b>  |
| Cash and bank                                              | (144,393,000)          |
| Borrowings                                                 | 1,308,820,000          |
| <b>B. Reported net debt</b>                                | <b>1,164,427,000</b>   |
| Debt like items                                            | -                      |
| To the extent quantified by Management                     | 353,132,077            |
| To the extent quantified (others)                          | (128,379,381)          |
| Unquantifiable adjustments proposed by Management          | -                      |
| Unquantifiable adjustments to be quantified as per Closing | (7,693,699)            |
| Audit adjustments based on revised March 2020 FS           | (6,686,148)            |
| <b>C. Total debt like items</b>                            | <b>210,372,850</b>     |
| <b>D. Total net debt (B+C)</b>                             | <b>1,374,799,850</b>   |
| Estimated adj. NWC                                         | 2,173,982,946          |
| Target adj. average NWC (basis LTM June20)                 | 2,008,621,557          |
| <b>E. NWC adjustment</b>                                   | <b>165,361,388</b>     |
| <b>F. Total price adjustments (-D+E)</b>                   | <b>(1,209,438,461)</b> |
| <b>Preliminary purchase price / purchase price</b>         | <b>18,790,561,539</b>  |

Note: (i) Estimated adj. NWC represented the adjusted working capital as at 30 June 2020.  
(ii) Target adj. average NWC represented the LTM12 value (i.e. the average of the last 4 quarters ending June 2020).

## PART B

### MTR EV TO MTR EQUITY VALUATION

The enterprise value of MTR is INR 41,89,54,47,644 (Indian Rupees Four Thousand One Hundred and Eighty Nine Crores Fifty Four Lakh Forty Seven Thousand Six Hundred and Forty Four only) (**MTR Enterprise Valuation**).

#### Enterprise Value to Equity Value

| INR                                                                   | 30 June 2020          |
|-----------------------------------------------------------------------|-----------------------|
| <b>A. Enterprise value</b>                                            | <b>41,895,447,644</b> |
| Cash and bank                                                         | (37,916,525)          |
| Current investments                                                   | (993,867,176)         |
| Long-term borrowings                                                  | -                     |
| Short-term borrowings                                                 | 179,749,536           |
| Fixed deposits                                                        | (100,000,000)         |
| <b>B. Reported net debt</b>                                           | <b>(952,034,165)</b>  |
| Items reclassified from working capital                               | 209,516,589           |
| Other cash/ (debt) like items                                         | (5,059,479)           |
| <b>C. Total debt like items</b>                                       | <b>204,457,110</b>    |
| <b>D. Total net debt (B+C)</b>                                        | <b>(747,577,055)</b>  |
| Estimated adjusted net working capital at 31 March 2020/ 30 June 2020 | 419,536,840           |
| Target net working capital                                            | (87,606,152)          |
| <b>E. Net working capital adjustment</b>                              | <b>507,142,992</b>    |
| F. Non current investment (associate company) fair value              | 187,826,135           |
| <b>G. Total price adjustments (-D+E+F)</b>                            | <b>1,442,546,182</b>  |
| <b>H. Preliminary purchase price / purchase price (A+G)</b>           | <b>43,337,993,826</b> |

**MTR Share Price** means the MTR Equity Valuation divided by the total number of MTR Shares on a Fully Diluted Basis.

The Parties have agreed that MTR shall raise equity capital equivalent to the Delta Transaction Consideration from Orkla for acquiring the Sale Shares. **Delta Transaction Consideration** means the Sale Shares Purchase Consideration minus INR 1620,000,000 (*Rupees One Thousand Six Hundred and Twenty Million*).

## PART C

### PROMOTERS SHAREHOLDING IN MTR

| S. No. | Promoter     | Resultant percentage shareholding in MTR post-Merger on a Fully Diluted Basis |
|--------|--------------|-------------------------------------------------------------------------------|
| 1.     | Navas Meeran | 4.995                                                                         |
| 2.     | Feroz Meeran | 4.995                                                                         |

*(The remaining space has been intentionally left blank)*

## SCHEDULE 6 – ADJUSTED COMPANY EQUITY VALUATION

1. The Promoters shall within 7 (seven) Business Days of the Closing Date provide to MTR:
  - (i) a written balance sheet in the format set out in Appendix 2 at the Balance Sheet Date and the updated Net Debt and Working Capital statement in the format set out in Appendix 1. The balance sheet shall be prepared (A) in accordance with GAAP, the accounting policies and practices of the Company in the Ordinary Course of Business and (B) consistent with the statutory annual audited financial statements for the FY ended 31 March 2020. The balance sheet should be accompanied by full set of financial statements comprising balance sheet for the period ended 30 June 2020 and the income and cash flow statement for the periods April-June 2020 along with underlying notes and schedules. The Net Debt and Working Capital statement shall be prepared applying the Principles (**Net Debt and Working Capital Statement**);
  - (ii) copies of all relevant supporting documentation and working papers which the Promoters have used to prepare the Net Debt and Working Capital Statement; and
  - (iii) the documents set out in the information request list provided by MTR to the Promoters at Closing.
2. MTR shall review and use its best endeavours to, within 21 (twenty one) Business Days of receipt of the documents and information provided by the Promoters in accordance with paragraph 1 above and responses to any questions that may be raised by MTR (which responses shall be provided by the Promoters within 2 (two) Business Days of its request or such reasonable time as may be agreed with MTR) (**MTR Response Date**):
  - (i) confirm its acceptance of the Net Debt and Working Capital Statement; or
  - (ii) in the event that MTR disagrees with any item in the Net Debt and Working Capital Statement, and issues a notice to the Promoters indicating the specific item(s) in the Net Debt and Working Capital Statement with which MTR disagrees (**Disputed Item**), the rationale thereof and the resultant changes to the Net Debt and Working Capital as defined under paragraph 13 hereunder and Principles (**MTR Response**).
3. The Promoters shall within 3 (three) Business Days of receipt of the MTR Response (**Promoters Response Date**):
  - (i) confirm its acceptance of the resultant Net Debt and Working Capital set out in the MTR Response; or

- (ii) deliver a written notice of its disagreement to MTR specifying the nature and amount of any disagreement on the Disputed Items, identifying a deviation from the Principles (**Disagreement Statement**).
- 4. The Net Debt and Working Capital as set out in the MTR Response shall become binding on the Parties in the event that the Promoters do not deliver the Disagreement Statement to MTR by the Promoters Response Date.
- 5. In the event that the Promoters have issued a Disagreement Statement, the Parties shall seek to resolve the dispute in good faith and agree the Disputed Items and determine the Net Debt and Working Capital.
- 6. In the event that the Parties fail to resolve the dispute within 10 (ten) Business Days of receipt of the Disagreement Statement by MTR (**Resolution Period**), MTR and Promoters shall appoint an independent financial appraiser within 7 (seven) Business Days of the expiry of the Resolution Period (**Independent Financial Appraiser**). For the purposes of this paragraph, Independent Financial Appraiser shall refer to a partner with Transactions Services Team in KPMG who is not conflicted with any of the Parties or has otherwise not been an advisor to any of the Parties in respect of the Transaction or such other Person as may be agreed between MTR and the Promoters.
- 7. Within 7 (seven) days from the date of appointment of the Independent Financial Appraiser, the Promoters and MTR shall submit the following to the Independent Financial Appraiser:
  - (i) details of the Disputed Items, along with categorization as Net Debt or as Working Capital or value thereof or both;
  - (ii) the definitions of Net Debt and Working Capital agreed in this Schedule and the Principles;
  - (iii) all other supporting information as may be requested by the Independent Financial Appraiser.
- 8. The Independent Financial Appraiser shall act as an accounting expert and not an arbitrator, and shall make a final written determination of the Disputed Items exercising its professional judgment and discretion and based on the Principles for determining the categorisation of the Disputed Items and consistent with GAAP, the accounting policies and practices of the Company in the Ordinary Course of Business for determining the categorisation or value of the Disputed Items, or both, as the case may be (**IFA Determination**). The terms of engagement of the Independent Financial Appraiser shall provide that he/she shall make the IFA Determination within 14 (fourteen) days of receipt of information set out in paragraph 8 above. The IFA Determination of the Disputed Items shall be applied for determining the Net Debt and Working Capital.

9. The Net Debt (i) deemed to be binding in accordance with paragraph 4; or (ii) agreed between the Parties pursuant to paragraph 5, or (iii) computed pursuant to the IFA Determination in accordance with paragraph 8 shall be binding on the Parties and is referred to as the **Adjusted Net Debt**. The Working Capital (i) deemed to be binding in accordance with paragraph 4; or (ii) agreed between the Parties pursuant to paragraph 5, or (iii) computed pursuant to the IFA Determination in accordance with paragraph 8 shall be binding on the Parties and is referred to as the **Adjusted Working Capital**.
10. The costs associated with the appointment of the Independent Financial Appraiser shall be borne equally by the Promoters and MTR.
11. In the event that:
- (a) the aggregate of the Delta Net Debt and the Delta Working Capital (**Aggregate Amount**) is a negative figure, the Promoters shall be liable to pay in cash an amount equivalent to 67.82% of the Aggregate Amount to MTR in equal proportion; or
  - (b) the Aggregate Amount is a positive figure, MTR shall be liable to pay the Promoters in cash an amount equivalent to 67.82% of the **Aggregate Amount** to MTR in equal proportion.

The payment as contemplated herein shall be paid net of all Taxes. MTR or the Promoters, as the case may be, shall pay in addition to the Delta Amount a further payment (**Tax Gross Up Payment**) to the Promoters or MTR respectively, such that the sum of the Aggregate Amount and the Tax Gross Up Payment shall, after deducting from such payments the amount of all Taxes required to be paid in respect of the receipt or accrual of such payments, be equal to the Aggregate Amount.

**Original Net Debt** means the estimated Net Debt set out in Appendix 1.

**Original Working Capital** means the estimated Working Capital set out in Appendix 1.

**Delta Net Debt** = Original Net Debt minus the Adjusted Net Debt

**Delta Working Capital** = Adjusted Working Capital minus the Original Working Capital.

The payments contemplated in this paragraph 11 shall be made in cash by MTR to the Promoters or by the Promoters to MTR, as the case may be, within 7 (seven) Business Days of the Adjusted Net Debt and Adjusted Working Capital having been determined in accordance with this

Schedule 6.

12. Notwithstanding anything contained herein, the Parties agree that the adjustments contemplated in this Schedule shall not in any manner require or result in an adjustment to the swap ratio for the Proposed Merger as set out in Part C of Schedule 5 (*Promoters Shareholding in MTR*).

13. **Definitions**

**Contingent Liability** mean the liability arising out of the following bank guarantees issued on behalf of the Company:

| No.   | BG Favouring                                    | Place      | Dept     | Date       | Amount (INR)       | Maturity Date | Against FD No                 |
|-------|-------------------------------------------------|------------|----------|------------|--------------------|---------------|-------------------------------|
| 1     | General Manager, Canteen Stores Dept, Mumbai    | Mumbai     | Security | 22.07.2014 | 90,00,000          | 22-07-20      | 10040300252453-10040300273285 |
| 2     | General Manager, Canteen Stores Dept, Mumbai    | Mumbai     | Security | 06.03.14   | 98,50,000          | 06.09.2020    | 10040300248766                |
| 3     | Secretary, Agricultural Marketing Committee, AP | Guntur     | Security | 29.03.2017 | 50,000             | 28.03.2023    | 10040300273285                |
| 4     | Spices Board                                    | Cochin     | Security | 22.03.2017 | 10,00,500          | 21.03.2020    | 10040300273285                |
| 5     | The Dy./Asst. Commissioner of Customs, Cochin   | Cochin     | Security | 13.02.2019 | 3,00,000           | 12-02-2020    | 10040300287780                |
| 6     | The Dy./Asst. Commissioner of Customs, Cochin   | Cochin     | Security | 27.05.2019 | 1,00,000           | 26.05.2020    | 10040300273285                |
| 7     | Subsidiary Central Police Canteens Kerala       | Trivandrum | Security | 03.08.2019 | 2,50,000           | 31.07.2020    | 10040300291600                |
| 8     | The Dy./Asst. Commissioner of Customs, Cochin   | Cochin     | Security | 17.10.2019 | 2,50,000           | 16.10.2020    | 10040300273285                |
| Total |                                                 |            |          |            | <b>2,08,00,500</b> |               |                               |

**Low Risk Tax Liabilities** means any Tax liabilities that are classified by Deloitte AS to be of low risk.

**Net Debt** means the aggregate net indebtedness of the Group Entities as at the Balance Sheet Date (whether or not then presently payable), along with

interest accrued thereon, including:

- (a) the aggregate amount of external indebtedness (other than Trade Debts) owed by the Group Entities, including long term borrowings (including current maturities of such long- term debts) and short-term borrowings;
- (b) the aggregate amount of indebtedness (other than Trade Debts) owed by the Group Entities to the Promoters or Affiliates of the Promoters;
- (c) Taxes payable (both direct and indirect taxes) by the Group Entities including current and deferred Tax provisions net of Tax paid as advance tax or tax deducted at source;
- (d) Potential Tax exposures as of the Balance Sheet Date including Existing Tax Litigation and Potential Tax Demand, as listed in Appendix 3 **(Potential Tax Exposures)**;
- (e) amounts payable by the Group Entities which are in the nature of capital expenditure or capital commitment or stretched beyond 90 (ninety) days;
- (f) Employee related dues to the extent unfunded (gratuity & leave encashment) to the employees of the Group Entities or in respect of contributions to be made which are overdue under applicable social security legislations including Employees' Provident Fund and Miscellaneous Act, 1952 and Employees' State Insurance Act, 1948 or any overdue employee related payables (due beyond the normal credit period or beyond when such dues are normally payable.
- (g) Retention money and deposits from customers with the Group Entities, which are repayable in accordance with the terms thereof;
- (h) Off balance sheet liabilities excluding (a) Low Risk Tax Liabilities and (b) Contingent Liabilities;

Less:

- (i) the aggregate amount of cash in hand or at bank and cash equivalents held by the Group Entities excluding restricted cash reserved for specific purposes;
- (ii) receivables of payments from related parties other than Group Entities;
- (iii) market value of investments made in mutual funds and listed equity shares which are liquid and readily realizable excluding cost of

such realization, if any;

- (iv) Interest accrued on deposits in the Group Entities;
- (v) Receivable on account of sale of fixed assets in the Group Entities;
- (vi) An amount of INR 195,000,000 recorded in the books towards insurance claim receivable on account of loss of stock at the Theni Facility.

**Other** means the items not included within the definitions of Net Debt and Working Capital.

**Principles** means the principles for determining Net Debt and Working Capital set out in the tables annexed as Appendix 1.

**Trade Debts** means amounts owing by way of trade credit in the Ordinary Course of Business as a result of goods or services supplied.

**Working Capital** means the aggregate working capital of the Group Entities, being:

- (a) total inventories;
- (b) accounts receivable and accruals, including amounts due from trade debtors, prepayments and accrued income and other accounts receivable;
- (c) short-term loans and advances and other current assets;
- (d) payables and accrued liabilities, including trade creditors, taxes in due course, and accrued liabilities;
- (e) short-term provision and other current liabilities;

excluding, for the avoidance of doubt, any item or amount to the extent that it is taken into account in calculating Net Debt.

A line-by-line illustration and agreed principles on how to calculate Net Debt and Working Capital is set out in Appendix 1 to this Schedule.

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## APPENDIX 1

### PRINCIPLES/NET DEBT AND WORKING CAPITAL STATEMENT

#### **Illustrative computation of Net Debt at 30 June 2020**

| <b>Amount (INR in million)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>30 June 2020<br/>(Estimated)</b> | <b>30 June 2020<br/>(Proposed)</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------|
| External borrowings (long term borrowings including current maturities and short term borrowings outstanding)                                                                                                                                                                                                                                                                                                                                                     | 1,417                               |                                    |
| Net Debt in subsidiaries and proportionate Net Debt in JV                                                                                                                                                                                                                                                                                                                                                                                                         | (8)                                 |                                    |
| Net amounts payable/receivable to/by Related Parties (other than Group Entities) to the Company                                                                                                                                                                                                                                                                                                                                                                   | (420)                               |                                    |
| Less: Cash and cash equivalents                                                                                                                                                                                                                                                                                                                                                                                                                                   | (144)                               |                                    |
| Market value of investments in mutual funds                                                                                                                                                                                                                                                                                                                                                                                                                       | (1)                                 |                                    |
| Potential Tax Exposures                                                                                                                                                                                                                                                                                                                                                                                                                                           | 536                                 |                                    |
| Payable towards purchase of capital goods (net of capital advances)                                                                                                                                                                                                                                                                                                                                                                                               | 10                                  |                                    |
| Stretched creditors with payable more than 90 days                                                                                                                                                                                                                                                                                                                                                                                                                | 42                                  |                                    |
| Advances from customers, aged greater than 90 days                                                                                                                                                                                                                                                                                                                                                                                                                | 15                                  |                                    |
| Negative balance in Trade receivables                                                                                                                                                                                                                                                                                                                                                                                                                             | 21                                  |                                    |
| Employee related dues to the extent unfunded (gratuity & leave encashment) to the employees of the Group Entities or in respect of contributions to be made which are overdue under applicable social security legislations including Employees' Provident Fund and Miscellaneous Act, 1952 and Employees' State Insurance Act, 1948 or any overdue employee related payables (due beyond the normal credit period or beyond when such dues are normally payable) | 163                                 |                                    |
| Interest accrued but not due on borrowings                                                                                                                                                                                                                                                                                                                                                                                                                        | 1                                   |                                    |
| Provision for income tax                                                                                                                                                                                                                                                                                                                                                                                                                                          | 0                                   |                                    |
| Advance tax                                                                                                                                                                                                                                                                                                                                                                                                                                                       | (15)                                |                                    |
| Receivable from Spice Board of India                                                                                                                                                                                                                                                                                                                                                                                                                              | (38)                                |                                    |
| Promoter loans, net of tax liability on such loan                                                                                                                                                                                                                                                                                                                                                                                                                 | (28)                                |                                    |
| Retention money & deposits from customers                                                                                                                                                                                                                                                                                                                                                                                                                         | 18                                  |                                    |
| Deferred tax liabilities (net)                                                                                                                                                                                                                                                                                                                                                                                                                                    | 53                                  |                                    |

| Amount (INR in million)                                                                                                                    | 30 June 2020<br>(Estimated) | 30 June 2020<br>(Proposed) |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------|
| Adjustment on account of Theni fire                                                                                                        | (195)                       |                            |
| Sale of corporate office (i.e. sale consideration, potential tax outflow, other incidental expenses to be incurred and deposit to be paid) | (56)                        |                            |
| Audit adjustments based on revised March 2020 FS                                                                                           | (7)                         |                            |
| Amount recoverable against sale of fixed assets                                                                                            | (3)                         |                            |
| Interest accrued on deposits                                                                                                               | (0.2)                       |                            |
| Arrears of salary increments                                                                                                               | 14                          |                            |
| Provision for MSME Interest                                                                                                                | 1                           |                            |
| <b>Original Net Debt</b>                                                                                                                   | <b>1,375</b>                |                            |

#### Illustrative computation of Working Capital at 30 June 2020

| Amount (INR in million)                                                                                                 | 30 June 2020<br>Estimated | 30 June 2020<br>Estimated | Amount (INR)<br>Proposed | Amount (INR)<br>Proposed |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|--------------------------|--------------------------|
| Inventories as defined in the Financial Statement                                                                       |                           | 1,824                     |                          | XXXX                     |
| Trade receivables as defined in the Financial Statement                                                                 |                           | 945                       |                          | XXXX                     |
| Short term loans and advances as defined in the Financial Statement                                                     |                           | 890                       |                          | XXXX                     |
| Other current assets as defined in the Financial Statement                                                              |                           | 313                       |                          | XXXX                     |
| Trade payables as defined in the Financial Statement                                                                    |                           | (1,170)                   |                          | (XXXX)                   |
| Other current liabilities as defined in the Financial Statement                                                         |                           | (149)                     |                          | (XXXX)                   |
| Short-term provisions as defined in the Financial Statement                                                             |                           | (37)                      |                          | (XXXX)                   |
| Less: Any item or amount included in the balances listed above to the extent taken into account in calculating Net Debt |                           |                           |                          |                          |
| i) Short term portion of unfunded employee benefit provisions (leave to the extent unfunded)                            | 19                        |                           | XXXX                     |                          |
| ii) Current maturities of long term debt                                                                                | 108                       |                           | XXXX                     |                          |
| iii) Interest accrued but not due on borrowings                                                                         | 1                         |                           | XXXX                     |                          |
| iv) Provision for income tax                                                                                            | 18                        |                           | XXXX                     |                          |
| v) Working capital for tea (Advance given towards tea business                                                          | (341)                     |                           | XXXX                     |                          |

| Amount (INR in million)                                                                | 30 June 2020<br>Estimated | 30 June 2020<br>Estimated | Amount (INR)<br>Proposed | Amount (INR)<br>Proposed |
|----------------------------------------------------------------------------------------|---------------------------|---------------------------|--------------------------|--------------------------|
| and inter-corporate deposits given to Eastea Chai Pvt. Ltd.)                           |                           |                           |                          |                          |
| vi) Inventory of tea                                                                   | (19)                      |                           | XXXX                     |                          |
| vii) Provision for aged inventory                                                      | (9)                       |                           |                          |                          |
| viii) Stretched creditors with payable more than 90 days                               | 42                        |                           | XXXX                     |                          |
| ix) Advances from customers, aged greater than 90 days                                 | 15                        |                           |                          |                          |
| x) Negative balance in Trade receivables                                               | 21                        |                           |                          |                          |
| xi) Receivable from Spice Board of India                                               | (38)                      |                           | XXXX                     |                          |
| xii) insurance claim receivable                                                        | (225)                     |                           | XXXX                     |                          |
| xiii) Related party balances (excluding Eastea)                                        | (75)                      |                           | XXXX                     |                          |
| xiv) Payable towards purchase of capital goods (net of capital advances)               | 10                        |                           | XXXX                     |                          |
| xv) Margin money                                                                       | 9                         |                           | XXXX                     |                          |
| xvi) Amount recoverable against sale of fixed assets                                   | (3)                       |                           | XXXX                     |                          |
| xvii) Audit adjustments based on revised March 2020 FS                                 | (6)                       |                           | XXXX                     |                          |
| xviii) Retention money & deposits from customers                                       | 18                        |                           | XXXX                     |                          |
| xix) Interest accrued on deposit                                                       | (0.2)                     |                           |                          |                          |
| xx) Net impact of formula error in computation of estimated and target working capital | 14                        |                           | 14                       |                          |
| Total exclusions from Working Capital                                                  |                           | (442)*                    |                          | XXXX                     |
| <b>Original Working Capital</b>                                                        |                           | <b>2,174</b>              |                          | <b>XXXX</b>              |

\* Rounded off

#### New items:

The item(s) in question shall be categorized as "Net Debt", "Working Capital" or "Other" based on:

- The methodology consistent with the classification of the items as set out herein; and

- ii. New items shall be categorized based on the respective definitions of Net Debt and Working Capital as described in this Schedule. It is hereby expressly clarified that the definitions of Net Debt and Working Capital above would only be applicable for the determination of the New Items and shall not apply with respect to calculation of Original Net Debt or Original Working Capital.
- iii. For the avoidance of doubt, (i) shall take precedence over (ii).

**Low Risk Tax Liabilities** means any Tax liabilities that are classified by Deloitte AS to be of low risk.

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## WORKBOOK REFLECTING THE CATEGORIZATION OF DEBT AND WORKING CAPITAL ITEMS



Promoter  
SPA\_Schedule 6\_Wo

*(The workbook reflecting the categorization of debt and working capital items is attached here. The rest of the page is intentionally left blank.)*

## APPENDIX 2

### BALANCE SHEET STATEMENT

#### Disaggregated balance sheet at 30 June 2020

| Amount (INR in millions)            | 30 June<br>2020<br>(Estimated) | Disaggregated into |                 |                      | 30 June<br>2020<br>(Proposed) | Disaggregated into |                 |                      |
|-------------------------------------|--------------------------------|--------------------|-----------------|----------------------|-------------------------------|--------------------|-----------------|----------------------|
|                                     |                                | Net Debt           | Working Capital | Other excluded items |                               | Net Debt           | Working Capital | Other excluded items |
| Property plant and equipment (net)  | 1,366                          |                    |                 | 1,366                | XXXX                          |                    |                 | XXXX                 |
| <b>Non-current assets</b>           |                                |                    |                 |                      |                               |                    |                 |                      |
| Non-current investments             | 31                             |                    |                 | 31                   | XXXX                          |                    |                 | XXXX                 |
| Long term loans & advances          | 138                            | -                  | -               | 138                  | XXXX                          |                    |                 | XXXX                 |
| Other non-current assets            | 9                              | -                  | 9               | -                    | XXXX                          |                    |                 | XXXX                 |
| <b>Non-current liabilities</b>      |                                |                    |                 |                      |                               |                    |                 |                      |
| Long term provisions                | (144)                          | -                  | -               | (144)                | XXXX                          | XXXX               |                 |                      |
| Deferred tax assets/liabilities     | (53)                           | -                  | -               | (53)                 | XXXX                          | XXXX               |                 |                      |
| <b>Current assets</b>               |                                |                    |                 |                      |                               |                    |                 |                      |
| Investments                         | 1                              | 1                  | -               | 1                    | XXXX                          | XXXX               |                 |                      |
| Inventories                         | 1,824                          | -                  | 1,824           | -                    | XXXX                          |                    | XXXX            |                      |
| Trade receivables                   | 945                            | -                  | 945             | -                    | XXXX                          | XXXX               | XXXX            |                      |
| Short term loans & advances         | 890                            | -                  | 890             | -                    | XXXX                          | XXXX               | XXXX            |                      |
| Other current assets                | 313                            | -                  | 313             | -                    | XXXX                          | XXXX               | XXXX            |                      |
| <b>Current liabilities</b>          |                                |                    |                 |                      |                               |                    |                 |                      |
| Trade payables                      | (1,170)                        | -                  | (1,170)         | -                    | XXXX                          | XXXX               | XXXX            |                      |
| Other current liabilities           | (149)                          | -                  | (149)           | -                    | XXXX                          | XXXX               | XXXX            |                      |
| Short term provisions               | (37)                           | -                  | (37)            | -                    | XXXX                          | XXXX               |                 |                      |
| <b>Borrowings and cash</b>          |                                |                    |                 |                      |                               |                    |                 |                      |
| Long-term and short term borrowings | (1,309)                        | (1,309)            | -               | -                    | XXXX                          | XXXX               |                 |                      |

| Amount (INR in millions)            | 30 June<br>2020<br>(Estimated) | Disaggregated into |                    |                            | 30 June<br>2020<br>(Proposed) | Disaggregated into |                    |                            |
|-------------------------------------|--------------------------------|--------------------|--------------------|----------------------------|-------------------------------|--------------------|--------------------|----------------------------|
|                                     |                                | Net Debt           | Working<br>Capital | Other<br>excluded<br>items |                               | Net Debt           | Working<br>Capital | Other<br>excluded<br>items |
| Cash and bank balances              | 144                            | 144                | -                  | -                          | XXXX                          | XXXX               |                    | XXXX                       |
| <b>Total</b>                        | <b>2,801</b>                   | <b>(1,164)</b>     | <b>2,626</b>       | <b>1,339</b>               | <b>XXXX</b>                   | <b>XXXX</b>        | <b>XXXX</b>        | <b>XXXX</b>                |
| Off-balance sheet items considered  | -                              | -                  | -                  | -                          |                               | XXXX               | XXXX               |                            |
| <b>(Net Debt) / Working Capital</b> | -                              | <b>(1,164)</b>     | <b>2,626</b>       | -                          |                               | <b>XXXX</b>        | <b>XXXX</b>        |                            |

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### APPENDIX 3

#### POTENTIAL TAX EXPOSURES

##### PART A

##### EXISTING TAX LITIGATION

| S. No. | Forum and case number                             | Status as on the Execution Date | Potential Tax Exposure as adjusted in the EV- Equity bridge in Schedule 5 (in INR Million) |                                  |                                 |
|--------|---------------------------------------------------|---------------------------------|--------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|
|        |                                                   |                                 | Principal Tax Amount                                                                       | Interest<br>(until 30 June 2020) | Penalty<br>(until 30 June 2020) |
| 1.     | High Court (FY09 to FY16) – Tamil Nadu VAT        | Pending before High Court       | 288                                                                                        | -                                | -                               |
| 2.     | Supreme Court (FY06 to FY09) Karnataka VAT        | Pending                         | 9.9                                                                                        | 1.2                              | 1.0                             |
| 3.     | Commissioner (Appeals) (FY06 to FY09) Service Tax | Pending                         | 2.7                                                                                        | 6.5                              | 2.7                             |
| TOTAL  |                                                   |                                 | 300.6                                                                                      | 7.7                              | 3.7                             |

**PART B**

**POTENTIAL TAX DEMAND**

| S. No. | Issue                                                                                                   | Potential Tax Exposure as adjusted in the EV- Equity bridge in Schedule 5 (in INR Million) |                                  |                                 | Total<br>(in INR Million) |
|--------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------------------|---------------------------------|---------------------------|
|        |                                                                                                         | Principal Tax Amount                                                                       | Interest<br>(until 30 June 2020) | Penalty<br>(until 30 June 2020) |                           |
| 1.     | Potential disallowance of capital work-in-progress expensed out for FY18                                | 4.7                                                                                        | 1.3                              | 2.4                             | 8.4                       |
| 2.     | Non-maintenance of transfer pricing documentation for FY17 and FY18                                     | -                                                                                          | -                                | 1.7                             | 1.7                       |
| 3.     | Write off of advance given for acquiring land for FY19                                                  | 3.1                                                                                        | 0.5                              | 1.5                             | 5.1                       |
| 4.     | Non-withholding of tax on payments made to Radhakrishnan in relation to service agreement for FY17-FY19 | 4.1                                                                                        | 1                                | 2.6                             | 7.7                       |
| 5.     | Non-reporting of international transaction for FY17 and FY18                                            | -                                                                                          | -                                | 0.9                             | 0.9                       |
| 6.     | Incorrect claim of depreciation on motor vehicles for FY17-FY19                                         | 1.7                                                                                        | 0.6                              | 0.8                             | 3.1                       |
| 7.     | Non-payment of GST on import of services (FY17 to FY20)                                                 | 64.5                                                                                       | 29.6                             | 64.5                            | 158.6                     |
| 8.     | Reconciliation of input tax credit balance between books of accounts vs. GST returns (FY20)             | 14.1                                                                                       | 5.5                              | -                               | 19.6                      |
| 9.     | The input tax credit claimed which is not eligible for credit in FY20 (for FY18 & FY19)                 | 18.1                                                                                       | 0.6                              | -                               | 18.7                      |
| Total  |                                                                                                         | 110.3                                                                                      | 39.1                             | 74.4                            | 223.8                     |

## **SCHEDULE 7 – PRE-CLOSING COVENANTS**

The Company shall not and shall ensure that the Group Entities do not, and the Promoters shall ensure that the Company and the Group Entities do not:

- (a) effect any material change in the Business or start any new business or launch any new category of products, or export products to any country to which it is not exported as on the Execution Date; provided adding any products to the existing categories of Company Products in the Ordinary Course of Business shall stand excluded from this Schedule; or
- (b) enter into, amend the terms of, or terminate any arrangements, dealings or contracts with any Related Party otherwise than as set out in this Agreement; or
- (c) enter into or terminate any arrangements, dealings or contracts (a) of a total value exceeding INR 5,000,000 (Rupees five million only); or (iii) of a duration longer than 3 months; other than in the Ordinary Course of Business; or
- (d) change its auditors except in the Ordinary Course of Business, or make any material changes in accounting policies; or
- (e) initiate any Litigation or settle or compromise any Litigation (except the on-going Litigation set out in the Company Disclosure Document and/or the Updated Company Disclosure Document) provided the Company or the Group Entities may settle any Litigation involving a sum of no more than INR 2,500,000 (Rupees two million five hundred thousand only) if such settlement is undertaken without any admission of liability; or
- (f) Acquisitions or disposals (whether by one or more transactions) of any assets or securities with a value in excess of INR 5,000,000 (Rupees five million only) for a single transaction and in excess of INR 50,000,000 (Rupees fifty million only) in the aggregate; or
- (g) obtain any new loan, borrowing, and credit facilities by whatever name called in excess of INR 10,000,000 (Rupees ten million only) in the aggregate (save and except draw down of existing credit facilities in the Ordinary Course of Business) or create any Encumbrance on any of the assets, rights, or properties of the Company or the Group Entities, other than in respect of any such borrowing availed in accordance with this sub-clause (g); or
- (h) incur any capital expenditure commitment of individual items for an amount exceeding INR 5,000,000 (Rupees five million only) or in aggregate exceeding INR 10,000,000 (Rupees ten million only); or
- (i) declare or pay any dividend or make any other distribution in respect of any Share; or
- (j) pay to any employee, compensation other than the monthly payroll in the Ordinary Course of Business or raise or agree to raise anyone's compensation, or pay or agree to pay any bonus or other special compensation otherwise than as set out in their employment agreement, or in accordance with Company policy as provided to MTR; or

- (k) make any public offering of the Shares or effect any change in the capital structure, issue any securities or stock options or effect any scheme of amalgamation, arrangement or reorganization in relation to the Company, other than as specifically envisaged by this Agreement, or solicit or enter into negotiations, discussions, binding or non-binding commitments relating to any such change in the capital structure, issue of any securities or agree to any scheme of amalgamation, arrangement or reorganization other than as specifically envisaged by this Agreement; or
- (l) change the par value of or alter the rights attached to any class of Shares; or
- (m) appoint or change the terms of appointment or remove any Key Employee (listed in this Agreement); or
- (n) make loans, advances, investments or provide guarantees or security or deposit of money exceeding, in the aggregate, INR 5,000,000 (Rupees five million only) or
- (o) surrender any Tax benefits that may be available to the Company or the Group Entities exceeding, in the aggregate, INR 1,000,000 (Rupees one million only); or
- (p) reduce the insurance coverage with respect to any assets used in connection with the Business other than in the Ordinary Course of Business; or
- (q) Transfer any of its Intellectual Property, or any interest therein other than entering into licensing arrangements in the Ordinary Course of Business and on an Arms' Length Basis or change (including for the avoidance of doubt, any alteration, modification, deletion or substitution) to the visual representation and format of the existing Intellectual Property; or
- (r) make any significant changes in excess of INR 2,500,000 (Rupees two million five hundred thousand only) in the liability structure (excluding working capital related items) of the Group Entities including off balance sheet items; or
- (s) undertake any commitment or agreement or delegation of powers to do any of the foregoing.

***(The remaining space has been intentionally left blank)***

## **SCHEDULE 8 – MEETINGS**

### **Part A**

#### **BOARD MEETINGS**

##### **1.1 Meetings of the Board**

Meetings of the Board shall be convened and held at such times as may be determined by the Board and in any event not less than 4 (four) times annually in such a manner that not more than 120 (one hundred and twenty) days shall pass between 2 (two) consecutive meetings of the Board, at such place as the Board may from time to time determine.

##### **1.2 Notice of Meeting**

- (a) At least 7 (seven) clear days' written notice shall be given for any Board Meeting to the Directors, whether in India or outside India. In the case of a Director residing outside India, notice of such meeting shall be sent to him or her either by registered air mail or by electronic mail. A Board Meeting may be called by shorter notice with the consent of all the Directors.
- (b) Every such notice convening a Board Meeting shall contain an agenda for the Board Meeting identifying in sufficient detail, each business to be transacted at the Board Meeting together with all relevant documents in relation thereto. No matter, which has not been detailed in the agenda, shall be transacted at any Board Meeting.

##### **1.3 Quorum**

- (a) The quorum for a Board Meeting shall be 1/3 of the Board or 2 (two) Directors, whichever is higher, unless otherwise required by Applicable Law, provided that the presence of at least 1 MTR Director shall be required to constitute a valid quorum.
- (b) The Directors shall be entitled to participate in the Board Meetings via videoconference in accordance with Applicable Law.

##### **1.4 Decision Making by the Board**

The resolutions of the Board shall be passed with a simple majority of votes of the Directors entitled to vote thereon. Each Director shall have 1 (one) vote. A majority of the Directors may adjourn a Board Meeting for reasons recorded in writing.

##### **1.5 Circular Resolution**

Save as required by Applicable Law and notwithstanding anything contained herein, a resolution by circulation shall be valid and effectual as a resolution duly passed at a meeting of the Directors called and held in accordance with the provisions of the Act and the Articles, provided it has been circulated in draft form, together with the relevant papers, if any, to all the Directors and has been approved in writing by the requisite Directors.

## 1.6 **Committees**

The Board shall have the power to constitute, if necessary, such committees or sub committees of the Board, and delegate such of the Board's powers to the aforesaid committees, as the Board may deem fit (**Committees**). All provisions of this Schedule (including notice, quorum and voting requirements), shall *mutatis mutandis* apply to the proceedings of the Committees

## 1.7 **Board and Management of the Subsidiaries**

The provisions of Clause 10.1 and this Schedule shall *mutatis mutandis* apply to the Subsidiaries of the Company.

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## **Part B**

### **SHAREHOLDERS' MEETINGS**

#### **2.1 General Meetings**

All meetings of the Shareholders of the Company (an annual general meeting or an extraordinary general meeting) (**General Meeting**) shall be in accordance with the Act and the Articles, and shall be held at the registered office of the Company or at the place designated in the notice issued by the Company to the Shareholders subject to compliance with Applicable Laws.

#### **2.2 Notice of General Meetings**

Prior written notice of at least 14 (fourteen) days for a General Meeting shall be given to all Shareholders of the Company, provided however that any General Meeting may be held upon shorter notice in accordance with Applicable Law. All notices shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting together with all relevant documents in relation thereto.

#### **2.3 Quorum for General Meetings**

A General Meeting shall require a quorum as specified under the Act provided that, the presence of a representative (in person or by proxy) of MTR shall be required to constitute a valid quorum.

#### **2.4 Decision making at General Meetings**

The resolutions of the Shareholders shall be passed as ordinary or special resolutions, as required under Applicable Law. Voting on all matters to be considered at a General Meeting shall be by way of a poll.

#### **2.5 Meeting of the Subsidiaries**

The provisions of this Schedule shall *mutatis mutandis* apply to the Subsidiaries of the Company.

***(The remaining space has been intentionally left blank)***

## **SCHEDULE 9 - COMPANY WARRANTIES**

### **1. GENERAL**

- 1.1. The Company Warranties are given in relation to the Company and each of its Subsidiaries. References in this Schedule to the Company shall be construed as including a reference to each Subsidiary, unless the context otherwise requires, and all other applicable defined terms used in this Schedule shall be accordingly construed.
- 1.2. For the purposes of this Schedule 9, (a) references to the Company's knowledge shall mean the knowledge of the Promoters; and (b) references to 'knowledge' shall include knowledge possessed by either of the Promoters of a particular fact or other matter if such Promoter is actually aware of such fact or other matter, or a prudent individual in the position of the Promoter could be expected to discover or otherwise become aware of such fact or other matter in the course of conducting a reasonable investigation concerning such fact or other matter including through discussions, enquires and consultations with the Key Employees.

### **2. INFORMATION**

All information supplied by the Company and the Promoters or their respective agents and advisors to MTR or its agents and advisors (including, without limitation, information supplied in the course of the negotiations leading to this Agreement) is true, accurate, complete and not misleading (whether by reason of omission to state a material fact or otherwise) and to the best knowledge of the Company, does not omit anything which may be material to the MTR's decision for proceeding with or otherwise in connection with, the transactions contemplated by this Agreement.

### **3. SHARE CAPITAL**

- 3.1 The Company is a private limited company duly organized and validly existing under Applicable Laws and has all requisite corporate power and corporate authority to own, lease, and operate its assets and to carry on its Business as now being conducted and as provided for in the Charter Documents.
- 3.2 The Company's share capital as on the Execution Date and the Closing Date (immediately upon purchase of the McCormick Shares and the Sale Shares by MTR) is detailed in Part A and Part B respectively, of Schedule 2. The authorized, issued, subscribed and paid-up equity share capital of each of the Company and the Subsidiaries and the percentage shareholding interest of the Company in each of the Subsidiaries, is as provided in Part C of Schedule 2. Neither the Company (other than in respect of the Subsidiaries) nor the Subsidiaries have any investments (by way of equity or otherwise) in any other Entity.
- 3.3 MTR shall be entitled to receive and retain all dividend declared or paid and all accretions (including, without limitation, bonus and rights shares) which may accrue in respect of the McCormick Shares and the Sale Shares, if any, after the Closing Date.
- 3.4 The Company has furnished a copy of its duly certified Charter Documents, and the

charter documents of each of the Subsidiaries to MTR, which copies are true, correct and complete and contain all amendments up to the Execution Date and the Charter Documents or the charter documents of the Subsidiaries have not been amended since the Execution Date. The designations, powers, preferences, rights, qualifications, limitations and restrictions in respect of each class and series of authorized capital stock of the Company and each of the Subsidiaries are as set forth in the Charter Documents and the charter documents of such Subsidiary, as applicable, and all such designations, powers, preferences, rights, qualifications, limitations and restrictions, if any, are valid, binding and enforceable in accordance with Applicable Law.

- 3.5 There are no outstanding securities, warrants, options, instruments including convertible debt, rights to subscribe, commitments, obligations, agreements, understandings or arrangements of any nature whatsoever issued or entered into by or binding upon the Company that can be converted into or exchanged for Shares or securities of the Company or which entitles or may entitle any person to subscribe to or receive any Shares of the Company at present or at a later date or which require or may require the Company to issue any Shares or any securities or rights convertible into or exchangeable for Shares of the Company or warrants or rights to purchase or acquire any Shares of the Company. Apart from the Investment Agreement, the Company and its Subsidiaries are neither a party to nor are they aware of any voting trusts or agreements, shareholders' agreements, pledge agreements, buy sell agreements, rights of first refusal, rights of first offer, pre-emptive rights or proxies relating to any securities of the Company or any Subsidiary.

#### **4. VALIDITY OF THIS AGREEMENT**

- 4.1 The Company has all requisite corporate, statutory or other power and authority (as the case may be) to execute and deliver, and perform its obligations under this Agreement and has taken all requisite actions (whether corporate, statutory or otherwise) required to be taken as of date to consummate the transactions contemplated hereby or under any of the Promoter Transaction Documents. This Agreement and each of the Promoter Transaction Documents has been duly executed and delivered by the Company and is a valid and legally binding obligation of the Company, enforceable in accordance with its terms.
- 4.2 No Approvals are required in connection with the execution, delivery and performance by the Company of this Agreement and/or the other Promoter Transaction Documents and the transactions contemplated herein or therein.
- 4.3 NM has been authorized by the Board to represent the Company and to sign this Agreement and other Promoter Transaction Documents for and on behalf of the Company.
- 4.4 Except as specified in the Articles and the Investment Agreement, no rights of pre-emption have been granted to any person in respect of the Company's Shares.
- 4.5 The Company has not received any notice in respect of any action, suit, proceeding or investigation that is pending or to the best knowledge of the Company, has been threatened against the Company, nor is the Company subject to any award, order, judgement or decree of any Governmental Authority, which, (i) relates in any manner

to the transactions contemplated herein or any of the Promoter Transaction Documents; or (ii) questions the validity of this Agreement or any of the Promoter Transaction Documents (to the extent applicable) or the right of the Company to enter into this Agreement or any of the Promoter Transaction Documents, or to consummate the actions contemplated hereby or thereby, or (iii) in the aggregate has resulted, or in the reasonable opinion of the Promoters, is likely to result in a Company MAC; or (iv) which results in any change in the current ownership of the Company.

## **5. NON-CONTRAVENTION**

Neither the execution and delivery of this Agreement and the Promoter Transaction Documents nor the consummation of the transactions contemplated hereby or thereby or compliance of terms hereof or thereof by the Company will (i) violate any Applicable Law or terms of any Consent obtained by the Company or any provision of the Charter Documents or (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any third party the right to accelerate, terminate, modify or cancel, or save and except as disclosed in the Company Disclosure Document, require any notice (other than as required under any Applicable Law or under this Agreement), any contract to which the Company is a party or by which it is bound or to which any part of the undertaking of the Company is subject, or (iii) result in the imposition of any Encumbrance upon the Company, its assets or undertakings or any part thereof.

## **6. CORPORATE RECORDS**

- 6.1 The statutory books, minute books and register of members of the Company have been properly and accurately maintained in all respects and contain full and accurate records of all resolutions passed by the Directors and the Shareholders up to date and all issuances and transfers of Shares or other securities of the Company.
- 6.2 All Books and Records of the Company are maintained in compliance with all Applicable Law and are in control and/or in the possession of the Company. Further, all regulatory filings in accordance with Applicable Law as are required of the Company, as the case may be, as of the date of this Agreement, have been duly made to the concerned authorities.
- 6.3 Except as specified in the register of director's interests, in the Financial Statements of the Company for the period ending 31 March 2020 and the Management Accounts, the Directors of the Company are not personally interested in any transactions entered into by the Company.
- 6.4 There are no Entities established by the Company (other than the Subsidiaries) or its Subsidiaries in which the Directors of the Company have any interest.
- 6.5 Save and except as disclosed in the Company Disclosure Document, no power of attorneys have been granted by the Company to any Person.
- 6.6 Other than as set out in the Financial Statements, the Management Accounts and statutory registers of the Company, the Company is not a party to any transactions which would fall under the purview of Section 185 or 186 of the Act.

6.7 Save and except by way of the amendment agreement dated 29 October 2010, no amendments have been made to the Investment Agreement.

## 7. **CORPORATE ACTIONS**

All action on the part of the Company and all corporate action on the part of the Board and the Shareholders, if any, as the case may be, necessary for the authorisation, execution, delivery of and the performance of all obligations of the Company under this Agreement and the Promoter Transaction Documents, has been taken or will be taken prior to the Closing.

## 8. **ASSETS AND LIABILITIES**

For the purposes of Section 8 of this Schedule 9, “**Assets**” shall not include (i) the Owned Properties and the Leased Properties, to which the provisions of Section 17 of this Schedule 9 (Property - Land) shall apply; and (ii) the Intellectual Property rights of the Company, to which the provisions of Section 10 (Intellectual Property Rights) of this Schedule 9 shall apply.

8.1 Save and except as provided with respect to financial indebtedness set out in the Company Disclosure Document, the Company owns and has absolute and good title or the right to use all its assets that are used for the conduct of the Business including but not limited to machinery and equipment, computers, computer systems, servers, communication links and other office equipment and vehicles of the Company (“**Assets**”) free and clear of all Encumbrances. All the Assets have been acquired by the Company in the Ordinary Course of Business.

8.2 Save and except as provided in the Company Disclosure Document, all of the Assets (i) owned by the Company (“**Owned Assets**”) , including all significant records, information, agreements and documents in relation thereto, are in the exclusive possession or under the control of, the Company; and (ii) in respect of which the Company has a right of use (“**Leased Assets**”), including all significant records, information, agreements and documents in relation thereto, are in the possession or under the control of, the Company. The Company has not given any rights to any third parties with respect to the Assets.

8.3 The Company has not committed any default, or to the best of its knowledge, there has been no event or circumstance (including any notice from any Third Party) that could lead to the Company not having the exclusive right to continue to use the Leased Assets and the Company has not received any notice from any Third Party in respect of the Leased Assets, which may impact the Company's right to continue to use such Leased Assets.

8.4 The Assets have been properly serviced and maintained and are in normal operating condition consistent with industry standards and:

- (a) have not in the 12 (twelve) months prior to the date of this Agreement suffered any defect resulting in a material loss of data, information, or any material impairment in performance of any services;
- (b) have not been adversely affected by any accident, fire or natural disaster (other than as reflected in the Financial Statements and the Management Accounts);

- (c) are performing the tasks for which they were designed and are in satisfactory working order;
- (d) comply with all Applicable Laws regarding health and safety protection.

8.5 The Assets comprise all the assets necessary for the carrying on of the Company's Business in the manner in which it is carried on as of date.

## 9. CURRENT ASSETS AND LIABILITIES

- 9.1 The current assets and current liabilities of the Company (i) consist solely of assets and liabilities which have arisen from genuine business and trade transactions entered into the Ordinary Course of Business, and (ii) have been fully and fairly set out in the Financial Statements and the Management Accounts.
- 9.2 To the best of the Company's knowledge, the current assets are realizable at the value stated against them in the Financial Statements, the Management Accounts and any certificates, documents or instruments issued or delivered pursuant hereto.
- 9.3 To the best of the Company's knowledge, there are no circumstances which will adversely affect, restrict or hinder the supply of Products by the Company to any major customer or agent as a result of entering into this Agreement.
- 9.4 There are no agreements or arrangements other than on an Arm's Length Basis between the Company and any other Person for the supply of Products to such person, either on a minimum quantity or fixed price basis, or at un-remunerative prices.
- 9.5 No customer of the Business, whose purchases from the Business represented, in the 12 (twelve) months accounting period ending on 31 March 2020, equal to or exceeding INR 20,000,000 (Rupees twenty million) in that period, has since 31 March 2020 ceased to do business with the Company other than due to the expiry of any agreement with such customers in the normal course.
- 9.6 No supplier of raw materials to the Business, whose sales to the Business represented, in the 12 (twelve) months accounting period ending on 31 March 2020, equal to or exceeding INR 20,000,000 (Rupees twenty million) in that period, has since 31 March 2020 ceased to do business with the Company other than due to the expiry of any agreement with such vendors in the normal course.
- 9.7 Since the Balance Sheet Date, the cash balances of the Company have not been reduced by any payments except for amounts payable in the Ordinary Course of Business.
- 9.8 The debts included in the Financial Statements and the Management Accounts have realized or will (to the knowledge of the Company) realise, in the ordinary course of collection, their nominal amounts plus any costs of collection and any accrued interest less any provisions for bad and doubtful debts included in the Financial Statements and the Management Accounts.

- 9.9 To the best of the Company's knowledge, there are no (i) arrangements, credits, privileges, benefits, and/or rights, currently being enjoyed by the Company, which the Company may not continue to enjoy pursuant to the consummation of the transactions contemplated by this Agreement; or (ii) Persons who normally do business with or gives credit to the Company, who may not continue doing so pursuant to the consummation of the transactions contemplated by this Agreement; or (iii) counterparties to contracts who may terminate such contract or cease to do business with the Company as a result of the transactions contemplated under this Agreement.

## 10. INTELLECTUAL PROPERTY RIGHTS

### 10.1 Ownership/ Title

- (a) All Intellectual Property used by the Company for its Business as currently conducted is either (i) owned by the Company (**Owned IP**), or (ii) has been duly licensed to the Company under valid agreements (**Licensed IP**).
- (b) The Company has a good title to the Owned IP free and clear of all Encumbrances. The Company has the right to use the Licensed IP in the manner that it is currently used, without any restrictions or limitations, excluding such limitations and restrictions that may apply to off-the-shelf software.
- (c) The Register of Copyrights maintained under the Copyright Act, 1957, erroneously reflects the Promoters to be the authors of the copyrights listed below (**Copyrights**). The Promoters do not have any right, title or interest in such Copyrights and the Company is the exclusive owner of such Copyrights and has all rights, title and interest to such Copyrights, without any Encumbrances.

| S. No. | Copyright title                                             | Diary No.         |
|--------|-------------------------------------------------------------|-------------------|
| 1.     | Dal Shakti                                                  | 3449/2013-CO/A    |
| 2.     | Eastern Hot Mixture                                         | 5706/2017-CO/A    |
| 3.     | Eastern Neyappam                                            | 5707/2017-CO/A    |
| 4.     | Eastern Idly and Dosa Batter                                | 7914/2017-CO/A    |
| 5.     | Eastern Chicken Masala                                      | 10216/2019-CO/A   |
| 6.     | Eastern Biryani Masala                                      | 10217/2019-CO/A   |
| 7.     | Eastern Sambar Powder                                       | 10218/2019-CO/A   |
| 8.     | Eastern Bombay Biryani Mix                                  | 5099/2017-CO/A,   |
| 9.     | Eastern Chicken Masala (old logo)                           | 2378/2001-CO/A,   |
| 10.    | Eastern Sambar Powder                                       | 12453/2019 - CO/A |
| 11.    | Eastern Chicken Masala (copy of artistic work not provided) | 7242/2017-CO/A    |

- (d) Complete and accurate details of:
- (I) Intellectual Property which are registered in the name of the Company are set out in Part A of Annexure 3 of the Company Disclosure Document (**Registered IP**); and
- (II) applications filed by the Company for registration of Intellectual Property, which are pending as on date are set out in Part B of Annexure 3 of the

Company Disclosure Document.

- (e) Save and except as provided in the Company Disclosure Document, no registration of any Registered IP of the Company, which is currently used by the Company or was used anytime in the 2 years preceding the Execution Date, has expired.
- (f) The Company does not carry on business under any name other than its own registered corporate name.
- (g) Save and except as provided in the Company Disclosure Document, the Company has not authorized any other Person except the Subsidiaries to use the Intellectual Property in the past 2 years preceding the Execution Date, save and except for the Business. Save and except as provided in the Company Disclosure Document, no Persons except the Subsidiaries are authorised to use the Intellectual Property in the future, save and except for the Business.
- (h) The Intellectual Property owned or otherwise required for the Business as currently conducted, are vested in or validly granted to the Company and the Owned IP are not subject to any limit as to time, except as mentioned in certificates of registration or any other limitation, right of termination (including on any change in the underlying ownership or control of the Company, other than expiry in the normal course) or restriction, and all renewal fees and steps required for their maintenance or protection as of date have been duly paid and/or taken, as the case may be.
- (i) Save and except as provided in the Company Disclosure Document and save as provided under the terms of this Agreement, no Related Party or any Current Shareholder owns or uses any intellectual property rights which may, conflict with, or in their reasonable opinion cause confusion among the public with reference to, the Owned IP or the Licensed IP.
- (j) Save and except as disclosed in the Company Disclosure Document, and save as provided under the terms of this Agreement, no Related Party or Current Shareholder uses the Eastern Brand or the Eastern Logo, nor does any Related Party or Current Shareholder own or use any intellectual property that includes or is similar to, the Eastern Brand or the Eastern Logo.

For the purposes of these Warranties -

**Eastern Brand** means the 'Eastern' name, logo, trade dress, label (in any combination) used by the Company in the manufacture or sale of the Company Products and in the Business, in various forms, with or without logos.

**Eastern Logo** means the logo used by the Company to indicate the Eastern Brand on the Company Products or otherwise, including but not limited to the logo set out below:



- (k) Save and except as provided in the Company Disclosure Document, neither the Company nor any of the Current Shareholders (to the knowledge of the Company) have granted, nor are they obliged to grant, any license, sub-license or assignment in respect of any of the Intellectual Property.
- (l) No Intellectual Property used by the Company in relation to the Business and no license of Intellectual Property of which the Company has the benefit will be lost, or rendered liable to any right of termination or cessation by any third party, by virtue of the performance of the terms of this Agreement or any of the Promoter Transaction Documents.
- (m) There are no restrictions on the right of the Company to license or sub-license any Owned IP.
- (n) All Intellectual Property developed in the Laboratory has been developed using the Company's assets and by the Company's employees for and on behalf of the Company, the Company has absolute title to such Intellectual Property, free and clear of any Encumbrances, and neither the Laboratory, or the Trust or the beneficiaries of the Trust have any claims or rights in or to such Intellectual Property.

For the purposes of this Schedule,

**Laboratory** means the laboratory 'ME Meeran Innovation Center, operated by the Trust, accredited by the National Accreditation Board for Testing and Calibration Laboratories, in accordance with the standard ISO/IEC 17025:2017, in the field of testing, bearing certificate number TC-5561, and located at Building No. 34/137 A, Edappally Village, Ernakulam, Kerala, India.

**Trust** means the trust named 'ME Meeran Innovation Center' formed by the trust deed dated 29 December 2016.

## 10.2 **Infringement**

- (a) Save and except as provided in the Company Disclosure Document:
  - (I) there is no unauthorised use or infringement by any Person of the Intellectual Property owned or otherwise required for the Business of the Company and there are no pending disputes or Legal Proceedings in respect of any such infringement or unauthorized use, nor has the Company acquiesced in such unauthorised use by any Person.
  - (II) the Company has not filed, and nor does it propose to commence, any Legal Proceeding against any Person with respect to its Intellectual Property rights including any infringement or passing off actions, nor is it aware of any circumstances under which such action may have to be initiated.
- (b) The use of the Intellectual Property as is being used by the Company does not and would not to the best knowledge of the Company infringe and/or breach or

affect the intellectual property rights of any Person.

- (c) The Company has not received any notice or otherwise aware of any Legal Proceeding pending or to the best knowledge of the Company, threatened against the Company in respect of any alleged infringement of intellectual property rights of any Person.
- (d) To the best of the Company's knowledge, the Company and/or any of the Current Shareholders are not involved in any unauthorized use of confidential information disclosed to the Company in circumstances which might entitle a Third Party to make a claim. Further, the Company and/or any Promoter is not aware of any circumstances (including any act or omission to act) likely to give rise to such a claim.

### 10.3 **Information Technology and Systems**

- (a) All the records and all software, hardware, network and telecommunications equipment and internet-related information technology that are used by the Company in connection with the operation of its Business as currently conducted (“**Systems**”) and all data and information relating to the Company is recorded, stored, maintained or operated or otherwise held by the Company and is not wholly or partly dependent on any facilities which are not under the exclusive ownership or control of the Company.
- (b) The Company is the exclusive owner and has direct control of and/or is validly licensed or otherwise authorised to use the Systems. The Systems and the Company's ability to use all or any part of the Systems will not be affected by the transactions contemplated under this Agreement.
- (c) The Company's information technology systems have not failed to any material extent and the data which they process has not been corrupted. The Company's information technology systems do not contain viruses, bugs or things which distort their proper functioning, permit unauthorized access or disable them without the consent of the user.
- (d) The Company is the owner of all Intellectual Property rights relating to the design and layout of its websites and either the owner or licensee of all software relating to the operation, functionality and performance of those websites.
- (e) The Company has adequate disaster recovery plans and security arrangements in place.

### 10.4 **Trade Secrets**

- (a) With respect to each Trade Secret, the documentation relating to such Trade Secret is current, accurate, and sufficient in detail and content to identify and explain it and to allow its full and proper use without reliance on the knowledge or memory of any individual. The Company has taken all precautions to protect the secrecy and confidentiality of its Trade Secrets. The Company has good title and an absolute right to use the Trade Secrets. Other than in the Ordinary Course

of Business, the Company has not disclosed or permitted to be disclosed the Trade Secrets to any Person, and the Trade Secrets have not been used, divulged, or appropriated either for the benefit of any Person (other the Company) or to the detriment of the Company. No Trade Secret is subject to any adverse claim or has been challenged or to the best knowledge of the Company, threatened in any way.

- (b) The Company has adequate systems in place to monitor the access, use and disclosure of Trade Secrets by the Company's employees. Trade Secrets are disclosed only to the employees of the Company who are engaged in research and development, on a need to know basis. Save and except disclosures made in the Ordinary Course of Business, there has occurred no leak or unauthorized disclosure to, or unauthorized use or modification by, any Person of any Trade Secret.
- (c) Each Person who has handled any Trade Secret or to whom any Trade Secret has been divulged, is bound in respect of such Trade Secrets by the terms of a non-disclosure agreement which prohibits any further use, modification or disclosure of such Trade Secrets.
- (d) Each shareholder, current or former employee, officer, director, consultant and contractor of the Company or any of its Subsidiaries who is or has been involved in the development (alone or with others) of any Trade Secret, has executed and delivered to the Company the relevant agreements (i) assigning to the Company or such Subsidiary all of such Trade Secrets without any limitation or condition, such that the Company has acquired good title and absolute right to such assigned Trade Secrets; and (ii) agreeing not to use, modify, reveal or disclose in any manner any Trade Secret to any Person.
- (e) The Company Disclosure Document lists all the employees of the Company that are involved in the development of Trade Secrets.

For the purpose of this Section 10, the following words and expressions have the following meanings:

**“Trade Secrets”** means all know-how, recipes, formulations, processes, techniques, confidential information, technical information, business data, plans, drawings, and blue prints owned or used by the Company or the Subsidiaries in the Business.

## 11. **EMPLOYMENT/ LABOUR MATTERS**

### 11.1 **Employment Terms**

- (a) The details of emoluments and remuneration provided by the Company to MTR with respect to each of the employees are full and complete and, the Company has no other liability or obligation to make payment of any other amount to any of the employees.
- (b) There is no written or unwritten contract of employment with a Director or a Key Employee of the Company which cannot be terminated by 3 (three) months’

notice or less without giving rise to a claim for damages or compensation (other than a statutory redundancy payment, or statutory compensation for unfair dismissal or payment in lieu of waiver of an agreed notice period described in the respective employment offer letter).

- (c) All Key Employees of the Company are issued a standard appointment letter depending on the grade of employment. Other than such standard employment letters, the Company has not entered into any separate employment contracts with any of its Directors and/or Key Employees.
- (d) The Company has not terminated the employment of any of its employees (with remuneration exceeding INR 1,000,000 (Rupees One Million) in the last 12 (twelve) months.
- (e) The details of the employees on notice period as on the date hereof is set out in Annexure 4 of the Company Disclosure Document.
- (f) No proposal, assurance or commitment has been communicated to any Key Employees regarding any change to his terms of employment or working conditions or regarding the continuance, introduction, increase or improvement of any benefit, custom or any discretionary arrangement or practice since the past 12 (twelve) months other than the annual increments being proposed in the Ordinary Course of Business and in accordance with Applicable Laws.
- (g) Since the Balance Sheet Date, no changes have been made to the emoluments of any of the employees other than annual increments in the Ordinary Course of Business. Except normal accruals of emoluments and reimbursement of out-of-pocket expenses incurred in the Ordinary Course of Business, no other amounts are owed or promised to any employee of the Company.
- (h) No outstanding liability has been incurred by the Company for breach of any contract of employment or for services or redundancy payments, protective awards, compensation for wrongful dismissal or unfair dismissal or for failure to comply with any order for the reinstatement or re-engagement of any employee or for any other liability accruing from the termination of any contract of employment or for services.
- (i) No gratuitous payment in excess of the provisions as statutorily required in this regard as prevailing from time to time has been made or benefit given (or promised to be made or given) by the Company in connection with the actual or proposed termination or suspension of employment or variation of any contract of employment of any present or former director or employee.
- (j) To the best of the Company's knowledge, no employee intends to resign and/or terminate his/her employment agreements as a result of this Agreement.
- (k) In connection with the Business, no Director or employee of the Company is involved in any criminal proceedings or investigation or enquiry by any Governmental Authority.

- (l) To the best knowledge of the Company, no Director or Key Employee of the Company is involved in any criminal proceeding or have been held guilty of any offence under any Applicable Law.

## 11.2 Compliance

- (a) The Company has complied with all Applicable Laws including without limitation the (Indian) Payment of Gratuity Act, 1972, the (Indian) Employees Provident Fund and the Miscellaneous Provisions Act, 1952, the (Indian) Payment of Bonus Act, 1965, the (Indian) Contract Labour (Regulation and Abolition) Act, 1970, the (Indian) Workmen's Compensation Act, 1923 and the (Indian) Minimum Wages Act, 1948 with respect to its labour force, including for the avoidance of doubt, any contract labour or migrant labour engaged by the Company, either by itself or through third parties, in relation to or in connection with the Business.
- (b) The Company has withheld, and paid to the relevant Governmental Authorities, proper and accurate amounts from salaries and wages due to its employees for all periods prior to the date of this Agreement and shall withhold and pay such amounts till the Closing Date, in due compliance with the tax withholding provisions of the Income Tax Act, 1961.
- (c) The Company has not defaulted in making any statutory payments in relation to its labour force, including for the avoidance of doubt, any contract labour engaged by the Company, either by itself or through third parties, in relation to or in connection with the Business. The Company has properly provided and contributed to all employee benefit plans including provident fund, gratuity fund, pension fund, as are required under applicable employee benefit laws and payroll deductions, by making, in a timely manner, all such contributions as are required by Applicable Law and making such deductions from all payments made or deemed to be or treated as made by it or on its behalf, as are required under Applicable Law, and by duly accounting to the appropriate authority for all sums so deducted and contributed for all other amounts for which it is required to account under the relevant contribution systems.
- (d) The Company has maintained and is currently maintaining adequate funds and reserves for paying/contributing to the various employee benefits including gratuity, provident funds and other statutory dues.
- (e) The Company has in relation to each of its employees and its former employees complied with all Applicable Laws, regulations, codes of conduct, terms and conditions of employment, orders and awards relevant to their terms and conditions of service or to the relations between the Company and its employees (or former employees, as the case may be) or any recognized trade union, staff association or other body representing its employees or any of them.
- (f) There are instructions or obligations imposed and communicated to the Company by any relevant Governmental Authority, pursuant to any inspection or otherwise, which have not been complied with by the Company.

- (g) All registers, records, returns, particulars, disclosures, and filings which the Company is required to maintain or file with or deliver to Governmental Authorities under have been duly maintained, filed or delivered in accordance with Applicable Laws.
- (h) The Company has complied in all material respects with all its obligations concerning the health and safety at work of each of the employees/workers and has not incurred any material liability in respect of any accident or injury, which is not fully covered by insurance. No employee or former employee of the Company has made any claim which is outstanding as on date.

#### **11.3 Trade Union/ Collective Bargaining**

- (a) The Company does not have a trade union, nor does it recognize anybody representing any employee(s). The Company has not entered into any collective bargaining or profit-sharing agreements, or similar arrangements with its employees.
- (b) To the best knowledge of the Company, no employee is a member of any outside trade union.

#### **11.4 Disputes / Strikes / Lockouts**

The Company has not experienced any disputes that have remained unresolved or resulted in any claims against the Company by its employees or contract labour or consultants, including, without limitation, lock-outs, strikes, slowdowns or work stoppages.

#### **11.5 Advance to employees**

- (a) Other than as reflected in the Financial Statements and the Management Accounts, the Company has not made any loan or advance or provided any financial assistance to any employee or past or prospective employee, of the Company, which is outstanding, other than travel, salary and other advances in the Ordinary Course of Business.
- (b) The Company does not have any outstanding liability to pay compensation for loss of office or employment or a redundancy payment to any present or former employee or to make any payment for breach of any employment agreement, and no such sums have been paid (whether pursuant to a legal obligation or ex gratia) since the Balance Sheet Date.

#### **11.6 Others**

- (a) The Company does not have any employee stock option schemes, or any other equity linked remuneration scheme.
- (b) There are no sums or other liabilities owed 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.

## 12. **LEGAL PROCEEDINGS**

- 12.1 Save and except as provided in the Company Disclosure Document, there are no legal, quasi-legal, insolvency, bankruptcy, liquidation, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions or governmental investigations or inquiries, or labour disputes (“**Legal Proceedings**”) pending or to the best knowledge of the Company, threatened against the Company, the Promoters, the Directors, the Products or the Business. There are no injunctions, orders or judgments operating against the Company and/or the Promoters as on date.
- 12.2 Save and except as provided in the Company Disclosure Document, the Company has not received any show-cause notices or legal notices from any Person.
- 12.3 Save and except as provided in the Company Disclosure Document, the Company has not instituted any Legal Proceedings against any Person.
- 12.4 There are no pending and to the best of the Company's knowledge, threatened criminal actions, proceedings, or investigations, concerning Directors, Promoters, managers or employees of the Company which relate to the Company's Business.
- 12.5 The Company has not been wilfully negligent in (i) engaging professionals, or (ii) taking appropriate steps recommended by professionals in respect of any claims made against or notices received by the Company or with respect to any Legal Proceeding to which the Company is party to.
- 12.6 Save and except as provided in the Company Disclosure Document, no penalties have been levied and/ or are to the best of the Company's knowledge proposed to be levied on the Company by any of the Governmental Authorities pursuant to any non-compliance, proceeding, suit, breach or default of any provisions of Applicable Laws including the Prevention of Food Adulteration Act, 1954 or Prevention of Food Adulteration Rules, 1955, the Food Safety and Standards Act, 2006 or any subsequent enactments thereunder or amendments thereto.
- 12.7 Other than as disclosed in the Company Disclosure Document, there are no pending claims against the Company relating to income tax.
- 12.8 There is no outstanding Legal Proceeding, and to the knowledge of the Promoters, there is no threatened Legal Proceeding, against the Laboratory.

## 13. **DEFECTIVE PRODUCTS / SERVICES**

- 13.1 To the best of the Company's knowledge, the Company has not provided any deficient product or service which does not comply in any material respect with any warranties or representations made by the Company or with all Applicable Laws.
- 13.2 The products manufactured, distributed and sold by the Company (including, but not limited to, the Company Products and the products of Eastea Chai Private Limited distributed and sold by the Company) are in compliance with the Applicable Law

relating to health and food safety, including but not limited to standards prescribed under the Food Safety and Standards Act, 2006. To the best of the Company's knowledge, there is no basis for any recall or investigation of, or with respect to, any product manufactured, distributed or sold by the Company.

#### **14. INSOLVENCY**

- 14.1 No order has been made and to the best of the Company's knowledge, no petition presented or meeting convened for the purpose of consisting a resolution for the winding up of the Company and (if applicable) part of the assets or undertaking of the Company or for the appointment of any provisional liquidator and there are no facts or circumstances which could (to the knowledge of the Company) result in such actions being taken.
- 14.2 No proceedings have been initiated against the Company under the Insolvency and Bankruptcy Code, 2016.
- 14.3 To the best of the Company's knowledge, no receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the Owned Properties, Leased Properties, Assets and/or undertakings of the Company, including without limitation on any part of the Business or the Assets of the Company used for the carrying on the Business.
- 14.4 No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of any of the Owned Properties, Assets and/or undertaking of the Company including without limitation any part of the Business or the Assets of the Company used for the carrying on of the Business.
- 14.5 To the knowledge of the Company, the Company is not a party to any transactions capable of being set aside, stayed, reversed, avoided or affected in whole or in part by any Act of Insolvency whether as transactions that undervalue, in fraud of or against the interests of creditors of the Company, or preferences or fraudulent transfer actions on the part of the Company or pursuant to any similar concepts or legal principles.

#### **15. ANTI- COMPETITIVE ARRANGEMENTS**

- 15.1 The Company is not a party now, nor has it been, a party to any agreement, arrangement, concerted practice or course of conduct which (a) is subject to registration or notification under the Competition Act, 2002, or (b) is violative of the provisions of any other Applicable Law in this regard, including the Competition Act, 2002; (c) infringes any other anti-trust or similar legislation in any jurisdiction in which the Company carries on Business or has Assets or sales; (d) is void or unenforceable (whether in whole or in part) or to the best knowledge of the Company, may render the Company liable to proceedings under any Applicable Law.
- 15.2 No investigation, request for information, or statement of objections or similar matter has been carried out or, as the case may be, received from any Governmental Authority, and the Company has not given any undertaking and no order has been made against the Company pursuant to any anti-trust or similar legislation in any jurisdiction in

which the Company carries on Business or has Assets or transactions.

## 16. **ANTI-CORRUPTION LEGISLATION & ETHICAL BUSINESS PRACTICES**

- 16.1 The Company and the Promoters have complied fully with all applicable Anti-Corruption Legislation, including, but not limited to, the US Foreign Corrupt Practices Act (“**FCPA**”) as amended from time to time, if applicable, and to the extent FCPA is not applicable to the Company, as if the FCPA was applicable. The Company and the Promoters (i) have knowledge and understanding of the FCPA, and (ii) have not paid, given, or offered or promised to pay or give or offer, any gift, money or any other thing of value, directly or indirectly, to, or for the benefit of: (1) any government official or employee (including employees of government corporations and employees of public international organizations), political party or candidate for political office; or (2) any other Entity, with knowledge that some or all of that money or other thing of value will be paid, given, offered or promised to a government official or employee, political party or candidate for political office, for the purpose of obtaining or retaining any business, or to secure any improper or unfair advantage, in connection with the Company's conduct of the Business.
- 16.2 No officer, director, employee, agent, or shareholder of the Company is a government official or employee of any state-owned or controlled enterprise, political party official or candidate for political office.
- 16.3 To the best knowledge of the Company, the Company and the Persons acting on its behalf have (i) followed ethical business practices in respect of the Business, and (ii) anti-money laundering practices in place that are compliant with Applicable Laws. To the best of the Company's knowledge, neither the Company, nor any of its officers, agents or employees (during the course of their duties), has done or omitted to do anything which is a contravention of any Applicable Law, which has resulted in or may result in any fine, penalty or other liability or sanction on the part of the Company.
- 16.4 The Company is not prohibited under applicable Anti-Corruption Legislation and Export Control Legislation. To the best of the Company's knowledge, the Company has not entered into any agreement or arrangement that may be held to be a violation of applicable Anti-Corruption Legislation.

## 17. **PROPERTY – LAND**

### 17.1 **Owned Properties**

- (a) The properties set out in Part A of Annexure 6 of the Company Disclosure Document comprise all the land and buildings constituting immovable property owned by the Company (the “**Owned Properties**”) and the Company does not have freehold rights in any property other than the Owned Properties. The details of the Owned Properties set out in the Company Disclosure Document are true, complete and accurate and not misleading in any respect.
- (b) Save and except as provided in the Company Disclosure Document, the Company has not entered into any agreement for sale or development or any other agreement or arrangement with any Person with respect to the Owned

Properties or any part thereof.

- (c) All Taxes in relation to the Owned Properties have been paid by the Company. The Company has not received any notice or prohibitory order or order of attachment of any Governmental Authority (including and not limited to any Tax Authority) for the payment (or failure to make payment) of any Taxes.
- (d) There are no outstandings as on date in respect of any of the Owned Properties with respect to their ownership, possession and occupation other than for customary taxes, rates and cesses.
- (e) Save and except as provided in the Company Disclosure Document, the Company has good and marketable title to each of the Owned Properties (which, where requisite has been perfected, by registration or other lodgement at the appropriate public registry), free from any Encumbrance, and the original title documents and revenue records with respect to such title to the Owned Properties in favour of the Company are in the possession or under the control of the Company, or are the subject of binding acknowledgements for production.
- (f) No notice from any Governmental Authority (including any notice for acquisition or requisition of the Owned Properties or part thereof) has been received by or served upon the Company in respect of any of the Owned Properties or any part thereof.
- (g) Save and except as provided in the Company Disclosure Document, the Company has not entered into any lease, leave and license, right of way, or rental arrangement with any Third Party with respect to any of its Owned Properties.
- (h) Each of the Owned Properties benefits from all permanent and legally enforceable easements necessary or appropriate for the continued use and enjoyment of such Owned Property by the Company as carried on at or from such Owned Property and for compliance with any obligations relating to the Owned Property (whether statutory otherwise) and all such easements and rights are on reasonable terms which (without limitation) do not entitle any Person or Entity to terminate, restrict or curtail them or impose any unusual or onerous conditions.
- (i) No Owned Property is affected by a subsisting contract for sale or other disposition of any interest in it.
- (j) The Company is not aware of any of the Owned Properties or any part thereof being included in any development plan for any public purpose. No Owned Property is subject to any order, resolution or to the best of the Company's knowledge, proposal for compulsory acquisition or located in an area which is or is (to the best of the Company's knowledge) proposed to be subject to any statutory or other order.

## **17.2 Leased Properties**

- (a) The properties set out in Part B and Part C of Annexure 6 of the Company

Disclosure Document comprise all the land and buildings constituting immovable property leased, licensed, occupied or otherwise used by the Company (the “**Leased Properties**”). The details of the Leased Properties set out in the Company Disclosure Document are true, complete and accurate and not misleading in any respect.

- (b) The leases and licenses executed by the Company in respect of the Leased Properties (“**Lease Arrangements**”) are valid and subsisting and the Company is in compliance in all material respects with the terms of the Lease Arrangements. The Company has not taken any action or omission which could result in the counter parties terminating the Lease Arrangements or which conduct restrict the Company's continued use and peaceful possession of the Leased Properties. The Leased Properties are being utilised for the purposes for which it was granted.
- (c) The Subsidiaries are the only occupiers and users of the Leased Properties, and there are no leases, tenancies, licenses or other rights of occupation in favour of any other Person in respect of any Leased Property.
- (d) The Company has not sub-leased any of its interests/rights in any Leased Property or any part thereof, in respect of which it has a continuing liability for payment of rent or otherwise.
- (e) The Company has been granted all rights of use of such Leased Properties by the respective owner/lessee of such Leased Properties and has for this purpose entered into duly stamped, valid and binding lease agreements with the owners of such Leased Properties for the use by the Company or duly stamped, valid and binding leave and license agreements with the owners/licensees of such Leased Properties, as the case maybe, with a minimum term of 11 (eleven) months.
- (f) To the best knowledge of the Company, (i) the Leased Properties are free and clear of any Encumbrances; and (ii) no Person other than the Company is entitled to possession, occupation, use or control of any of the Leased Properties, except the owners/lessors of such Leased Properties, who may have such rights in accordance with the terms of the relevant lease deeds.
- (g) The Leased Properties are not subject to the payment of any outgoings nor is the Company liable to pay any sums in relation to such Leased Property other than that as set out in the relevant Lease Arrangements.
- (h) In relation to the lease deeds and leave and license agreements, which have expired and which have not been renewed by the Company, the Company has handed over the properties to the respective lessors and licensors, and no amounts are due and payable by the Company under such lease deeds and leave and license agreements.

### 17.3 Planning and Zoning

- (a) The Owned Properties, and all uses of, and developments on, the Owned Properties have been duly approved by the statutory authorities and comply with

all Planning and Zoning Legislation.

- (b) The current use of the Owned Properties and the Leased Properties by the Company does not contravene any Applicable Law relating to health or safety.
- (c) Save and except as provided for in the Company Disclosure Document, no Permission is for a limited period.
- (d) All Planning and Zoning Legislation and all Permissions or Statutory Agreements affecting any of the Owned Properties have been complied with to date.

For the purpose of this Section 17 of Schedule 9, the following words and expressions have the following meanings:

**“Planning and Zoning Legislation”** means all Applicable Laws intended to control or regulate the construction, demolition, alteration or use of land or buildings or to preserve or protect the national heritage and any orders, bye-laws or regulations made or granted under any of them;

**“Permission”** means any planning permission, approval or other equivalent consent, authorization or licence given or deemed to be given pursuant to Planning and Zoning Legislation and includes all conditions attached to it; and

**“Statutory Agreement”** means any agreement with a Governmental Authority or planning obligation.

- 17.4 **State of the Properties:** The buildings and other structures on, under or over the Owned Properties and the Leased Properties, including but not limited to the buildings and structures used by the Company to carry on the Business are in good condition (subject to normal wear and tear) for conducting the Business.
- 17.5 As on date, the Company does not have knowledge of any fact that would lead to any liability or expenditure of the Company, outside the Ordinary Course of Business in respect of any of the Owned Properties or the Leased Properties.
- 17.6 Save and except as disclosed in the Company Disclosure Document, all the Owned Properties and the Leased Properties are being utilised only for the purposes of the Business. None of the Owned Properties or the Leased Properties are vacant, save and except as disclosed in the Company Disclosure Document.
- 17.7 **Disputes:** There are no current or to the best of the Company's knowledge, anticipated notices, actions, disputes, complaints, liabilities, claims or demands that may involve the Company, relating to or in respect of the Owned Properties or the Leased Properties or their use by the Company, nor are there to the best of the Company's knowledge, any circumstances rendering any of the foregoing likely.
- 17.8 **Adverse Interests:** None of the Owned Properties or the Leased Properties is subject (or to the Company's knowledge, is likely to become subject) to any matter which might adversely affect (a) the Company's ability to continue to carry on the Business from

such Owned Property or Leased Property in the same manner as at present and at the same cost; or (b) the value of such Owned Property. The Identified Land is not material to the operations of the Company, and any forfeiture of, or obstruction on, or limitation on the use of, the Identified Land by a Governmental Authority will not affect the Business in any manner.

**“Identified Land”** means the 12 cents of land occupied by the Company in Survey No. 328A/4A situated at No.21, Veerapandi Village, Theni Taluk & District, Tamil Nadu.

- 17.9 The Company is not in default of its performance, observance or fulfilment of the terms and conditions of the Agreement to Sell dated 30 May 2015, bearing No. 327/2015-16, registered with the office of sub-registrar at Kittur and executed between Siddavva, Fakirappa, Gurusidappa, Manjunath and Madivali (through their power of attorney holder, Siddappa Bassappa) and the Company, and that all amounts paid by the Company under the agreement to sell have been fully settled and that there are no outstanding amounts due and payable by the Company to Siddavva, Fakirappa, Gurusidappa, Manjunath and Madivali (i.e. vendors under the agreement to sell) or Sidappa Bassappa (i.e. power of attorney holder).

## 18. **LICENSES AND CONSENTS**

- 18.1 Except as set out in the Company Disclosure Document, the Company has obtained all necessary Consents required by it under Applicable Law for carrying on the Business of the Company effectively in the places and in the manner in which the Business is presently carried on, including in relation to the establishment and operation of the Windmills.
- 18.2 The Company is in compliance with, the terms of such Consents and has not received any notice of breach or default from any Governmental Authorities in respect of such Consents.
- 18.3 Part B of Annexure 7 of the Company Disclosure Document sets out the details of applications made by the Company for obtaining or renewal of Consents, as set out therein.
- 18.4 The transactions contemplated hereby or under other Promoter Transaction Documents, will not be in violation of or result in any material adverse effect on the Consents and in turn on the Business.
- 18.5 No misrepresentations or omissions have been made by the Company in obtaining or maintaining any such Consents.
- 18.6 There is no action or claim pending or to the best knowledge of the Company, threatened, that revokes, suspends, modifies, alters, amends or terminates any of the Consents, or declares any of them invalid in any respect and to the best knowledge of the Company, no facts exist which could lead to such an action or claim.
- 18.7 Save and except as provided in the Company Disclosure Document, the Company has not received any notices from the food inspector, public analyst, local health authority or any Governmental authority for any non-compliance, breach or default of any

provisions of Applicable Laws including the Prevention of Food Adulteration Act, 1954 or Prevention of Food Adulteration Rules, 1955, the Food Safety and Standards Act, 2006, or any subsequent enactments thereunder or amendments thereto, or in default of any orders or directions issued by the food inspector, public analyst, local health authority or any other Governmental Authority, which (a) are outstanding as on date; or (b) in the Promoters' reasonable opinion may, result in the Company being subject to further investigation, or the Company having to recall any of its Products from the market, or result in termination or cancellation or revocation of any Consents issued to the Company. To the best knowledge of the Company, there are no events or circumstances which could lead to a Consent being revoked, terminated or cancelled or (where applicable) not renewed in the Ordinary Course of Business.

For the purpose of this Warranty, notices that are outstanding shall mean such notices (i) to which the Company has not responded as on date; or (ii) in respect of which, less than 2 months has elapsed since the last correspondence with the Governmental Authority that has issued such notice.

- 18.8 The Company and each of its Subsidiaries operate their respective businesses in each of the locations listed in the Company Disclosure Document, and only carry out the activities with respect to such business.
- 18.9 There are no due and outstanding payments that are required to be made by the Company to any Governmental Authority for any Consents by way of license or application fees in respect thereof, other than the amounts accrued in accordance with the terms and conditions of such Consents.
- 18.10 All the Consents obtained by the Company are in the name of the Company and in instances where the Applicable Laws requires that an individual be named as the designated person for a particular Consent, such person named by the Company was and continues to be in the employment of the Company. The details of such Consents are set out in the Company Disclosure Document.
- 18.11 The Laboratory has obtained all necessary Consents required to be obtained by it under Applicable Law for carrying on its operations as is presently carried on. The Laboratory has at all times been in compliance with such Consents and has been operated in accordance with Applicable Law, and there are no pending investigations or complaints with respect to the Laboratory.

## 19. **CONTRACTS**

- 19.1 Save and except as provided in the Company Disclosure Document, the Company is not a party to any material contract, arrangement, or obligation (other than the Promoter Transaction Documents and the Investment Agreement):
  - (a) which, whether by reason of its nature, term, scope, price or otherwise, is or is likely to be of material importance to its Business, profits or assets, and in any case not exceeding INR 5,000,000 (Rupees Five million) per annum and which by virtue of the performance of the terms of this Agreement or any of the Promoter Transaction Documents will result in:

- (i) any such other party being relieved of any obligation or becoming entitled to exercise any right (including any right of termination or any right of pre-emption or other option); and/or
    - (ii) the Company being in default under any such agreement or arrangement or losing any benefit, right or license which it currently enjoys or in a liability or obligation of the Company being created or increased;
  - (b) which involves payment by the Company by reference to fluctuation in any index including any retail price index, excluding interest rate, swaps and foreign exchange derivatives entered into for the purposes of hedging the Company's risks;
  - (c) which is a recognition, procedural or other agreement between the Company and any recognized independent trade union or other collective bargaining body;
  - (d) which were entered into otherwise than by way of bargain at Arm's Length Basis;
  - (e) which is incapable of performance by the Company in accordance with its terms;
  - (f) which is of an onerous nature or cannot be fulfilled or performed by the Company on time or without undue or unusual expenditure money exceeding INR. 5,000,000 (Rupees Five Million);
  - (g) which, upon completion by the Company of its work or the performance of its other obligations under it would (to the knowledge of the Company) result in a loss which is not fully provided for in the Financial Statements or the Management Accounts or which will not make a normal profit margin, or which involves an abnormal degree of risk;
  - (h) which involves, or to the Company's knowledge, is likely to involve expenditure by the Company in excess of INR 20,000,000 (Rupees Twenty Million Thousand) per annum (other than towards procurement of raw materials and packing materials);
  - (i) which imposes restrictions on the Company not in the Ordinary Course of Business; or
  - (j) which establishes any joint venture (other than the Joint Venture Company), consortium, partnership or profit (or loss) sharing agreement or arrangement.
- 19.2 The Company shall not, as on the Closing Date, be a party to or liable under any contract, oral or written, which may result in a Company MAC and which the Company has not, or shall not have up to the Closing Date, disclosed in writing to MTR.
- 19.3 The Company is not in default of the performance, observance or fulfilment of any of its obligations, covenants or conditions contained in any Material Contract, and there are no outstanding claims or liabilities for breach, or to the best of the Company's knowledge, alleged breach by the Company of any such Material Contract. Each such Material Contract has been duly authorised, executed and delivered by the Company,

and by each other party thereto (to the knowledge of the Company) and constitutes the valid and binding obligation of each party thereto, enforceable against each party thereto in accordance with its terms. To the best of the Company's knowledge, no party with whom the Company has entered into any Material Contract is in default under it.

For the purposes of this Clause, **Material Contract** shall mean any contract, agreement or arrangement which has a value exceeding INR 5,000,000 (Rupees Five Million Five) per Financial Year.

- 19.4 Save and except as provided in the Company Disclosure Document, none of the Directors (other than the Promoters and Directors nominated by McCormick) have any ownership (i) in any Entity with which the Company and/or the Subsidiaries is affiliated; or (ii) in any Entity that competes with the Company or its Business.
- 19.5 Other than the Investment Agreement and the Promoter Transaction Documents, there are no agreements or understandings to which the Promoters (with respect to the Company) and/or the Company are a party or are bound by, which (i) grants management, operational or voting rights in the Company to any Person including any power of attorney in that respect; (ii) is a non-competition contract restricting in any way the Business activities of the Company; (iii) was entered into outside of the Ordinary Course of Business of the Company which binds the Company; (iv) is a contract with any Person relating to the use of the assets of the Company other than in the Ordinary Course of Business.
- 19.6 Save and except as provided in the Company Disclosure Document, all Material Contracts entered into by the Company have been duly and adequately stamped in accordance with the provisions of Applicable Law. Further, all such Material Contracts entered into by the Company have been duly registered with the applicable Governmental Authority to the extent required under Applicable Law.

## 20. **CURRENT OPERATIONS**

- 20.1 As of date, there is no existing fact or circumstance that results in or to the best of the Company's knowledge, may result in a Company MAC on the ability of the Company to conduct its Business as currently conducted.
- 20.2 Since the Balance Sheet Date, there has been no damage, destruction or loss exceeding whether or not covered by insurance, that results in or may result in a Company MAC on the Business.
- 20.3 Save and except as provided in the Company Disclosure Document, the Business of the Company has been carried out in the Ordinary Course of Business and there has not been any restructuring, reorganisation, acquisitions or new investments other than as disclosed to MTR (including as set out in the Financial Statements and the Management Accounts).

## 21. **FINANCIAL STATEMENTS**

- 21.1 The Books and Records of the Company are up-to-date and have been maintained in accordance with all Applicable Laws and generally acceptable accounting principles in

the relevant jurisdiction on a proper and consistent basis and comprise complete and accurate records of all information required to be recorded.

- 21.2 The Financial Statements and the Management Accounts present truly, fairly and accurately the financial position of the Company, and the Company has no material liabilities or obligations of any nature which are not fully reflected or reserved against in the Financial Statements and the Management Accounts.
- 21.3 The Company has not made any material investment exceeding INR 1,000,000 (Rupees One Million) in any Entity, other than in respect of investment in the Group Entities and as disclosed in the Company Disclosure Document.
- 21.4 Since the Audited Accounts Date, the Company has conducted its Business in the Ordinary Course of Business, and has not taken any action or omitted to take any action which has resulted in:
- (i) any unusual increase in the Company's cash flow including as a result of the Company entering into any discount, rebate, concession or other similar arrangements with its customers or distributors, which are not ordinarily and/or customarily provided; and
  - (ii) any unusual or unplanned reduction in costs incurred by the Company including on account of the Company entering into deferred payment arrangements with its employees, creditors, suppliers or other Third Parties or effecting a material reduction in its workforce. For the purposes of this Clause, material reduction in workforce shall mean terminating or furloughing the employment of its employees or contract workers whose annual cost to the Company was more than 15% of the annual manpower costs of the Company, as on the Audited Accounts Date.

For the purposes of this Schedule, **Audited Accounts Date** means 31 March 2019 or 31 March 2020, as applicable.

- 21.5 **Position since the Balance Sheet Date:** Since the Balance Sheet Date:

- (a) the Company's Business has been carried on in the Ordinary Course of Business and the Company has not entered into any contract or commitment other than in the Ordinary Course of Business and the Company has not made or agreed to make any payment other than routine payments in the ordinary and usual course of trading;
- (b) no dividend or other distribution has been declared, paid or made by the Company;
- (c) there has been no material change in the level of borrowing or in the working capital requirements of the Company;
- (d) no individual contract, liability or commitment (whether in respect of capital expenditure or otherwise) has been entered into by the Company which is of a long term or which involves an obligation on the Company of a material nature,

other than in the Ordinary Course of Business;

- (e) the Company has not, except in the Ordinary Course of Business acquired or disposed of, or agreed to acquire or dispose of, any individual business or asset, value of which exceeds INR. 2,500,000 (Rupees Two Million Five Hundred Thousand only);
- (f) no debtor has been released by the Company on terms that it pays less than the book value of its debt and no debt owing to the Company has been deferred, subordinated or written off or has proved to any extent irrecoverable;
- (g) the Company has not repaid any borrowing or indebtedness in advance of its stated maturity by incurring any pre-payment charges;
- (h) there has been no material increase or decrease in the levels of debtors or creditors or in the average collection or payment periods for the debtors and creditors respectively;
- (i) there has not been a Company MAC on the Business of the Company by virtue of any abnormal factor which has not, to a similar extent, affected companies carrying on similar businesses in India;
- (j) otherwise than in the Ordinary Course of Business, there has been no deterioration in the financial position of the Company, and no event, fact or matter has occurred which could, to the Company's knowledge, give rise to any such deterioration;
- (k) to the best of the Company's knowledge, the total market value of all the Assets of the Company in the Financial Statements/ the Management Accounts has not fallen below the value attributed to them in the Financial Statements/ the Management Accounts, subject to any depreciation accounted for in the Ordinary Course of Business;
- (l) no fixed asset of the Company has been revalued;
- (m) no event has occurred which gives rise to taxation of the Company on deemed (as opposed to actual) income, profits or gains or which results in the Company becoming liable to pay or bear a taxation liability directly or primarily chargeable against or attributable to another Person;
- (n) to the knowledge of the Company, no event has occurred which would entitle any third party to call for the payment of indebtedness of the Company prior to the normal maturity date;
- (o) the Company has not submitted any claim to its insurers in respect of which such insurers have disputed liability or settlement has been reached at an amount which is materially less than the amount of the relevant claim;
- (p) the Company has not taken any action which could have an impact on the Net

Debt and Working Capital Statement (as defined in Schedule 6); and

- (q) there has been no disposal of any asset or supply of any service or business facility of any kind by or to the Company in circumstances where the consideration actually received or receivable for the disposal or supply was less than the consideration which could be deemed to have been received for Tax purposes or in an Arm's Length Basis transaction with an unaffiliated third party.

21.6 **Position since 4<sup>th</sup> September, 2020:** Since 4<sup>th</sup> September, 2020, the Company has not undertaken the following without the prior written consent of MTR:

- (a) the Company has not effected any material change in the Business or started any new business or launched any new category of products, or exported products to any country to which it was not exported as on 4<sup>th</sup> September, 2020; save and except addition of products to the existing categories of Company Products in the Ordinary Course of Business;
- (b) no arrangements, dealings or contracts with any Related Party have been entered into, amended, or terminated by the Company otherwise than as set out in this Agreement;
- (c) the Company has not made any public offering of the Shares or effected any change in the capital structure, issued any securities or stock options or effected any scheme of amalgamation, arrangement or reorganization in relation to the Company, other than as specifically envisaged by this Agreement, or solicited or entered into negotiations, discussions, binding or non-binding commitments relating to any such change in the capital structure, issue of any securities or agreed to any scheme of amalgamation, arrangement or reorganization other than as specifically envisaged by this Agreement;
- (d) the Company has not changed the par value of, or altered the rights attached to, any class of Shares;
- (e) no arrangements, dealings or contracts (a) of a total value exceeding INR 5,000,000 (Rupees five million only); or (iii) of a duration longer than 3 months, has been entered into or terminated by the Company other than in the Ordinary Course of Business;
- (f) the auditors of the Company have not been changed, and no material changes have been made to the accounting policies of the Company;
- (g) no Litigation has been initiated or settled or compromised (except the (i) settlement of any Litigation by the Company or the Group Entities involving a sum of no more than INR 2,500,000 (Rupees two million five hundred thousand only) if such settlement is undertaken without any admission of liability) by the Company or the Group Entities;
- (h) the Company has not Transferred any of its Intellectual Property, or any interest therein other than entering into licensing arrangements in the Ordinary Course of Business and on an Arms' Length Basis or changed (including for

the avoidance of doubt, any alteration, modification, deletion or substitution) to the visual representation and format of the existing Intellectual Property;

- (i) the Company has not made any loans, advances, investments or provided guarantees or security or deposit of money exceeding, in the aggregate, INR 5,000,000 (Rupees five million only);
- (j) the Company has not obtained any new loan, borrowing, and credit facilities by whatever name called in excess of INR 10,000,000 (Rupees ten million only) in the aggregate (save and except draw down of existing credit facilities in the Ordinary Course of Business), and nor any Encumbrance has been created on any of the assets, rights, or properties of the Company or the Group Entities, other than in respect of any such borrowing as set out herein;
- (k) no capital expenditure commitment of individual items has been incurred by the Company for an amount exceeding INR 5,000,000 (Rupees five million only) or in aggregate exceeding INR 10,000,000 (Rupees ten million only);
- (l) the Company has not surrendered any Tax benefits that may be available to the Company or the Group Entities exceeding, in the aggregate, INR 1,000,000 (Rupees one million only);
- (m) the Company has not reduced the insurance coverage with respect to any assets used in connection with the Business other than in the Ordinary Course of Business;
- (n) the Company has not appointed, or changed the terms of appointment of, or removed, any Key Employee;
- (o) the Company has not paid to any employee, compensation other than the monthly payroll in the Ordinary Course of Business or raised or agreed to raise anyone's compensation, or paid or agreed to pay any bonus or other special compensation otherwise than as set out in their employment agreement, or in accordance with Company policy as provided to MTR;
- (p) the Company has not made any significant changes in excess of INR 2,500,000 (Rupees two million five hundred thousand only) in the liability structure (excluding working capital related items) of the Group Entities including off balance sheet items.

## 22. LOANS & INDEBTEDNESS

- 22.1 Annexure 9 of the Company Disclosure Document lists all secured and unsecured loans, debentures, fixed deposits, public deposits, deferred credits and any other financial assistance availed by the Company, including loans availed from Directors, Subsidiaries or other Related Parties (“**Company Loans**”).
- 22.2 Save and except as provided in Financial Statements of the Company and the Management Accounts, no charges or other security interests have been created by the Company in favour of any Person as security for any Company Loan.

- 22.3 The Company is not in default of any provision of the loan documents or arrangements executed by the Company in respect of the Company Loans (“**Loan Agreements**”) and has not received any notice of any default or breach under any such Loan Agreements. The Company has not received any notice to repay under any Loan Agreement on account of any default or breach by the Company or otherwise under any such Loan Agreements
- 22.4 The Company has obtained the prior written consent of each of its lenders in accordance with the Loan Agreements for each action for which prior written consent of a lender was required under the Loan Agreements.
- 22.5 The Company has not increased any of its liabilities including off-balance sheet items on account of leases or hire-purchases but excluding drawings from its working capital limits in the Ordinary Course of Business.
- 22.6 Save and except as provided in the Company Disclosure Document and as set out in the Financial Statements and the Management Accounts, there are no outstanding loans, advanced by the Company to any Person including without limitation, Shareholders, Related Parties, Directors and employees of the Company, as of date.
- 22.7 To the knowledge of the Company, the Company has not been a party to a transaction or entered into any agreement:
- (a) which is liable to be set aside or otherwise avoided by reason of Applicable Law of any relevant jurisdiction or country; or
  - (b) pursuant to or as a result of which an asset owned by the Company is liable to be transferred or re-transferred to another Person; or
  - (c) which gives or may give rise to a right of compensation or penalty payment in favour of another Person under the Applicable Law of any relevant jurisdiction or country.
- 22.8 Save and except as provided in the Company Disclosure Document and in the Financial Statements and the Management Accounts, (a) the Company has not made any loan to any Third Party, nor (b) issued any corporate guarantee/s or indemnities sureties, bonds, or counter indemnities in respect of obligations of any other Person. Further, no notices for invocation of the said guarantees, sureties, bonds, indemnities or counter indemnities have been received by the Company.
- 22.9 Save and except as provided in the Company Disclosure Document and in the Financial Statements and the Management Accounts, no loans or guarantees have been made or given in favour of any non-Indian parties by the Company.
- 22.10 Other than the Promoters, no third party has provided any guarantees, sureties, bonds or indemnities in respect of the obligations of the Company.

## 23. **INSURANCE**

- 23.1 The Company's insurances are in full force and effect and nothing has been done or omitted to be done which could make any policy of insurance void or voidable by the insurers or the premiums being increased there is no claim outstanding under any such policy. The Company is not required to pay any additional premiums other than those set out in the policies.
- 23.2 All the Assets and properties owned and used by the Company have been, and shall as at the Closing Date be, insured under valid and enforceable policies of insurance as are generally maintained by companies in the same industry and such policies are sufficient to cover liabilities considered normal in the course of the Business of the Company.

**24. RELATED PARTY TRANSACTIONS**

- 24.1 Annexure 9 of the Company Disclosure Document, the Financial Statements and the Management Accounts lists all outstanding transactions between the Company and its Related Parties together with the amounts due to or owned by the Company to such Related Parties.
- 24.2 The Company has conducted all transactions with Related Parties on an Arm's Length Basis and in accordance with Applicable Laws.
- 24.3 There is no restitution agreement executed by the Company with the Promoters including any agreements relating to any payments that may be made by them to the MTR and/or the Indemnified Parties pursuant to the terms hereof or the Promoter Transaction Documents.
- 24.4 The Company has executed appropriate agreements with the Related Parties while providing the various services to such Related Parties and all such agreements and contracts are in accordance with the Applicable Law and all requisite approvals required to be obtained by the Company under Applicable Law have been obtained.
- 24.5 Save and except as disclosed in the Company Disclosure Document, the Financial Statements and the Management Accounts, there are no loans made by the Company to any of the Promoters, the Subsidiaries, Directors or officers of the Company, or any Person connected with any of them.
- 24.6 Except as set out in the Company Disclosure Document, the Company does not use any facilities, assets or resources owned by any Related Party of the Company.

**25. ENVIRONMENTAL**

- 25.1 Save and except as disclosed in the Company Disclosure Document, the Company has obtained all requisite Environmental Licenses (all of which are valid and subsisting) required for the Business, and has complied with all applicable Environmental Law and with the terms and conditions of all Environmental Licenses. The Company Disclosure Document lists the applications made by the Company to the relevant Governmental Authorities to procure the Environmental Licenses as listed therein.
- 25.2 The Company has not received any notice from any Governmental Authority that it is in violation of any Environmental Law or Environmental License.

- 25.3 The Company has carried out all recommendations contained in environmental assessments and any other environmental investigation conducted pursuant to statutory requirements.
- 25.4 The Company has not generated, dumped, released, deposited, buried, used, disposed of, stored, transported, or emitted any Hazardous Substance at, on, from or under any property in possession of the Company or any other Person for which the Company can be liable under Applicable Law. To the knowledge of the Company, the Owned Properties and the Leased Properties of the Company, including the soil, subsoil and groundwater thereunder, is free from contamination by any Hazardous Substance.
- 25.5 The Company is not responsible (wholly or in part) for any clean up or other corrective action in relation to any Owned Property or Leased Property of the Company or is subject to any investigation or inquiry by any Governmental Authority at any Owned Property or Leased Property of the Company.
- 25.6 No Owned Property or Leased Property of the Company is included on or referred to in any register of contaminated land or any similar record or register.

For the purpose of this Section 25, the following words and expressions have the following meanings:

**“Environmental Law”** means all Applicable Laws, codes of practice, company environmental plans and codes of conduct, circulars and the like including those concerning the protection of human health or the environment or the conditions of the workplace or the generation, transportation, storage, treatment or disposal of a Hazardous Substance. It is clarified that Environmental Law shall mean the above in accordance with the standards and requirements of Applicable Law;

**“Environmental License”** means any applicable approval, authorization, license (including any License), consent or permission required under or in relation to any Environmental Law issued by any Governmental Authority.

**“Hazardous Substance”** means any natural or artificial substance (whether in the form of solid, liquid or gas, alone or in combination with any other substance) or radiation capable of causing harm to man or any other living organism, or capable of damaging the environment or public health or welfare, including but not limited to controlled, special, hazardous, toxic or dangerous waste as defined under Environmental Law.

## 26. **MARKETING INFORMATION**

- 26.1 All Marketing Information used by the Company is owned by or is subject of a valid grant of rights to the Company and is not subject to any restriction which results in a Company MAC on the Company’s ability to use it for the purposes of its Business.
- 26.2 The Company is not in breach of any agreement under which any Marketing Information was or is to be made available to it.

The term “**Marketing Information**” means all information relating to the marketing of any Products, including customer names and lists, sales targets, sales statistics, market share statistics, marketing surveys and reports, marketing research and any advertising or promotional material.

- 26.3 The Company is engaged in manufacture and distribution of the Company Products and is not engaged in any other business activities in any field related to food processing, other than the operation of the Windmills.

**27. MISCELLANEOUS**

- 27.1 To the best of the knowledge of the Company, no frauds have been committed by its employees in any transaction relating to the Company or its Business and the Company has not received notice of any fraud having been committed by its suppliers or other business partners in connection with the Business.
- 27.2 Save and except what is set out in the Company Disclosure Document, the Company has not received any governmental or regional incentives, subsidies or grants in connection with the Business.
- 27.3 The Company is not party to any subsisting agreement for its reorganisation or amalgamation or any such similar arrangement with any other Person.

**28. EXISTING INVESTMENT BY MCCORMICK**

- 28.1 In connection with McCormick's investment in the Company, the Company is in compliance with all Applicable Laws including Foreign Exchange Management Act, 1999 and the conditions stipulated in the approval granted by the Foreign Investment Promotion Board and Reserve Bank of India in connection thereto, further including any and all filings required with the Governmental Authorities, including the Reserve Bank of India.
- 28.2 The Company shall not, at Closing, owe any amounts or have any subsisting obligation towards McCormick other than pursuant to the McCormick SPA.

**29. JOINT VENTURE COMPANY AND RAKFTZ BRANCH**

- 29.1. The Company is in compliance with all Applicable Laws in connection with Foreign Exchange Management Act, 1999, including any and all filings and disclosures required thereunder with Governmental Authorities, including for the avoidance of doubt, the Reserve Bank of India in connection with its investment in the Joint Venture Company and its establishment of and transactions with the erstwhile branch office of the Company in Ras-Al-Khaimah, United Arab Emirates.
- 29.2. There are no disputes or outstanding claims between the Company and the joint venture partner in respect of the Joint Venture Company, or to the knowledge of the Company, between the Joint Venture Company and the joint venture partner in respect of the Joint Venture Company and no events have occurred which could, to the knowledge of the Company, give rise to any such claim.

- 29.3. Neither the Promoters nor the Company effectively manage the Joint Venture Company.

### 30. TAXES

- 30.1 All liabilities, whether actual, deferred, contingent or disputed of the Company for Tax measured by reference to income, profits or gains earned, accrued or received on or before the date of the last audited accounts or arising in respect of an event occurring or deemed to occur on or before the date of the last audited accounts are fully provided for or disclosed in the audited accounts (as is appropriately warranted under the accounting standards).
- 30.2 Save and except as provided in the Company Disclosure Document, no legal proceeding, audit, investigation or other similar proceeding by any Tax Authority is ongoing, pending, or threatened in writing with respect to any Taxes due by the Company, or any Tax return filed by, or on behalf of, the Company.
- 30.3 The Company has granted, delivered, issued or provided or made available in writing all certificates, forms and other documents relating to Tax to third parties as required under Applicable Law. All registrations on account of Taxes required under Applicable Law have been duly obtained and maintained by the Company.
- 30.4 The Company is not and has not at any time been treated by any Governmental Authority as resident in any jurisdiction other than India for any Tax purpose. The Company is not liable for any Tax as an agent of any other Person under the IT Act and does not constitute a permanent establishment or other place of business of any other Person for the purpose of IT Act.
- 30.5 Full and accurate particulars of all payments of Tax made and all repayments of Tax claimed by the Company and the computation of each such payment or claim for repayment took proper account of all relevant estimates and other information available to the Company at the time when such payment was made or at the time when such claim for repayment was submitted to any Tax Authority.
- 30.6 All Tax exemptions, benefits, concessions, credits and refunds claimed by the Company are in accordance with the provisions of the Applicable Law.
- 30.7 The Company has complied with any withholding obligations (wherever applicable) under the Income-tax Act, 1961 within the stipulated time period under Applicable Laws and any delays/defaults of withholding tax has been accounted or paid to the relevant Tax Authority along with applicable interest and/or fees. No written demand from a Tax Authority with respect to Tax to which a withholding obligation applies has been received by the Company or threatened in writing from a Tax Authority.
- 30.8 The Company has kept and preserved adequate records and information and has reasonable access to such information as may be needed to enable it to compute its

liability to Taxation, to meet any other obligation relating to Taxation or accounting matters, and/or deliver correct and complete Tax returns to all relevant Tax Authorities for all accounting periods for which such Tax returns are required as per Applicable Law.

- 30.9 The Company has properly and accurately prepared and filed all Tax returns, computations, notices, information and reports under Applicable Laws relating to any Tax, including without limitation, income tax, and goods and services tax (**GST**), as may be applicable, which directly affects or deals with the conduct of the Business of the Company. These returns and reports are complete and not misleading, are true and correct in all respects and were prepared in compliance with Applicable Law. Any restructurings which may have impacted the Company's tax obligations were taken into account while preparing these returns.
- 30.10 The Company has appropriately capitalized and grouped all fixed assets under the appropriate block of fixed assets and depreciation thereon is computed in accordance with the provisions of Applicable Law for the purpose of computing the Tax payable.
- 30.11 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 income-tax computation.
- 30.12 All international transactions between the Company and associated enterprises, as defined in section 92A of the IT Act and between Company and related parties as defined in section 40A(2)(b) of the IT Act have been considered on arm's length basis as per the IT Act for the purpose of return of income of the Company. Transfer pricing provisions under the IT Act were not applicable to the Subsidiaries during the Financial Years ending 31 March 2017, 31 March 2018, 31 March 2019 and 31 March 2020.
- 30.13 The Company has prepared and retained such adequate documentation as is necessary or reasonable to identify the terms of the transactions and the methodology used in arriving at the arm's length terms for such transactions as may be prescribed by Applicable Laws, including but not limited to the information and documents prescribed under the provisions of the IT Act.
- 30.14 Save and except as provided in the Company Disclosure Document, all the Tax dues and interest under litigation under IT Act have been discharged by way of adjustment against refunds issued to the Company or payments made by the Company.
- 30.15 Payments which have been made by BAMS Condiments Impex Pvt. Ltd to any Person resident outside India which were subject to withholding Tax under IT Act appropriate applicable taxes have been withheld.
- 30.16 The Subsidiaries have not undertaken any transaction on which Tax collected at source (TCS) is or was applicable under Applicable Laws.

- 30.17 There has been no change in the shareholding pattern of the Subsidiaries, during the Financial Years ending 31 March 2017, 31 March 2018, 31 March 2019 and 31 March 2020.
- 30.18 The Company has not undertaken any restructuring (including any re-organisation, merger, demerger, slump sale, business acquisition, buyback or capital reduction in any manner, which can have any Tax implications, in the 3 (Three) years prior to the Closing Date.
- 30.19 There are no contingent liabilities pertaining to direct Taxes in respect of the Subsidiaries.
- 30.20 All the statutory payables under Applicable Law, due from Subsidiaries and outstanding as at the end of the Balance Sheet Date, were paid within the due dates as prescribed under Applicable Law or where there were delayed, the relevant interest liability and penalties (due and payable) have been discharged.
- 30.21 Save and except as provided in the Company Disclosure Document, no inter-corporate loans have been provided by the Company to any parties which are outstanding as on date and which can have any additional implications under the IT Act.
- 30.22 Save and except as provided in the Company Disclosure Document, all indirect Tax liabilities as applicable to the Company, including GST have been paid in accordance with Applicable Law.
- 30.23 Save and except as provided in the Company Disclosure Document, there is no pending proceedings against the Subsidiaries, in relation to Tax.
- 30.24 There have been no transactions undertaken by Eastern Food Speciality Formulations Private Limited which attracts GST in accordance with Applicable Law, and no GST registration has been obtained in respect thereof.

***(The remaining space has been intentionally left blank)***

## **SCHEDULE 10 – CLOSING AND POST CLOSING AGREEMENTS**

### **PART A**

#### **CLOSING AGREEMENTS**

|     |                                                                                                                                                                                                                                                                                                            |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.  | CXO Agreement – Company                                                                                                                                                                                                                                                                                    |
| 2.  | CXO Agreement – MTR                                                                                                                                                                                                                                                                                        |
| 3.  | Escrow Agreement and the Cash Escrow Agreement                                                                                                                                                                                                                                                             |
| 4.  | MD Agreement                                                                                                                                                                                                                                                                                               |
| 5.  | Termination agreement in respect of the Investment Agreement                                                                                                                                                                                                                                               |
| 6.  | Distribution Agreement to be executed between the Company and Eastea Chai Private Limited                                                                                                                                                                                                                  |
| 7.  | Trademark Rebranding Agreement to be executed between the Company and Eastea Chai Private Limited                                                                                                                                                                                                          |
| 8.  | Trademark License & Rebranding Agreement to be executed between the Company and Eastern Aqua Minerals                                                                                                                                                                                                      |
| 9.  | Termination agreement for terminating the Corporate Name License Agreement dated 28 June 2010                                                                                                                                                                                                              |
| 10. | Termination agreement for existing Trademark License Agreement dated 28 June 2010 executed between the Company and Eastern Aqua Minerals                                                                                                                                                                   |
| 11. | IP License Agreement to be executed by the Company with NM                                                                                                                                                                                                                                                 |
| 12. | Employment Agreement to be executed by the Company with the Key Employees                                                                                                                                                                                                                                  |
| 13. | Joint Venture Agreement to be executed by the Company with Jaleel Holdings Limited and the Joint Venture Company. It is agreed between the Parties that the Joint Venture Agreement will specifically record that the Joint Venture Company or Jaleel Holding Limited have no rights in the Eastern brand. |
| 14. | Contract Manufacturing Agreement to be executed between the JV Company and Jaleel Essential Food Industries LLC.                                                                                                                                                                                           |
| 15. | Distribution Agreement to be executed between the Company, the JV Company and Jaleel Distribution LLC.                                                                                                                                                                                                     |
| 16. | Contract manufacturing and distribution agreement to be executed between the Company and Diet Fibre 365 Food Products Private Limited.                                                                                                                                                                     |

## PART B

### POST-CLOSING AGREEMENTS

|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | <p><u>Edapally Building:</u></p> <p>The Company to execute a Sale Deed in favour of Reenaz Properties Private Limited in respect of the building known as ‘<i>Eastern Towers</i>’ constructed on land admeasuring 11.99 Ares (equivalent to 0.296 Acres) comprised in old S. No. 2/21-1, situated at Chuttupad Kara, Edapally North Village, Kanayannur Taluk, Sub-Registration District of Edapally, Ernakulam District.</p>                                                                        |
| 2. | <p><u>Edapally Land:</u></p> <p>The Company and Reenaz Properties Private Limited to execute a Termination Deed for termination of the lease agreement dated 10 December 2010 executed between the parties in respect of land admeasuring 11.99 Ares (equivalent to 0.296 Acres) comprised in old S. No. 2/21-1, situated at Chuttupad Kara, Edapally North Village, Kanayannur Taluk, Sub-Registration District of Edapally, Ernakulam District.</p>                                                |
| 3. | <p><u>Edapally Corporate office units (ECPL):</u></p> <p>Reenaz Properties Private Limited to execute a Lease Deed in favour of the Company in respect of the units currently being used by the Company in the building known as ‘<i>Eastern Towers</i>’ constructed on land admeasuring 11.99 Ares (equivalent to 0.296 Acres) comprised in old S. No. 2/21-1, situated at Chuttupad Kara, Edapally North Village, Kanayannur Taluk, Sub-Registration District of Edapally, Ernakulam District.</p> |
| 4. | <p><u>Adimali II factory:</u></p> <p>Mr. Navas Meeran (and other family members depending on the owners of the buildings) to execute a Lease Deed in favour of the Company in respect of the Adimali II factory.</p>                                                                                                                                                                                                                                                                                 |
| 5. | <p><u>Vannapuram factory:</u></p> <p>Eastern Mattress Private Limited to execute a Lease Deed in favour of the Company in respect of the Vannapuram factory.</p>                                                                                                                                                                                                                                                                                                                                     |

*(The remaining space has been intentionally left blank)*

## SCHEDULE 11 — FAIR MARKET VALUE

### PART A

#### INSOLVENCY CALL NOTICE

Within 10 (ten) Business Days of issuance of the insolvency call notice, the Company shall appoint a Nominated Valuer. The Nominated Valuer shall determine the value of the Shares proposed to be sold at his professional discretion and based on industry practice in accordance with Applicable Law provided it is clarified that (a) the consolidated budget and forecast created as part of the Company's latest strategic 3 year plan which is approved by the Board shall be provided to the Nominated Valuer and no forecast shall be created by the Company or its shareholders solely for the purpose of determining the enterprise value of the Company under this Clause and the Nominated Valuer shall not rely upon any such forecast or information, and (b) the enterprise value of the Company will be determined on a 100% (one hundred percent) and consolidated basis and will not factor in any discount for any lack of control or size of the stake. The value as set out in the signed valuation report issued by the Nominated Valuer shall be the Fair Market Value and be binding on the Parties.

### PART B

#### TRANSMISSION CALL NOTICE

Within 10 (ten) Business Days of issuance of the transmission call notice, (i) the Company shall appoint a Nominated Valuer and (ii) the other Promoter shall appoint another Nominated Valuer. The Nominated Valuers shall determine the value of the Shares proposed to be sold at their professional discretion and based on industry practice in accordance with Applicable Law provided it is clarified that (a) the consolidated budget and forecast created as part of the Company's latest strategic 3 year plan which is approved by the Board shall be provided to each such Nominated Valuer and no forecast shall be created by the Company or its shareholders solely for the purpose of determining the enterprise value of the Company under this Clause and the Nominated Valuers shall not rely upon any such forecast or information, and (b) the enterprise value of the Company will be determined on a 100% (one hundred percent) and consolidated basis and will not factor in any discount for any lack of control or size of the stake. The average of the value as set out in the signed valuation reports issued by each Nominated Valuer shall be the Fair Market Value and be binding on the Parties.

For the purposes of this Schedule:

**Nominated Valuer** means any one of Citi, ICICI, Kotak, JM Financial, JP Morgan, Goldman Sachs, Morgan Stanley, UBS, Avendus, Credit Suisse and the Big4 Firms.

**Fair Market Value** means the fair market value of the Shares as determined by the Nominated Valuer(s) in accordance with Schedule 11 (Fair Market Value).

*(The remaining space has been intentionally left blank)*

## ANNEXURE A - DRAFT OF THE SPA

This **SHARE PURCHASE AGREEMENT (Agreement)** is made on [●] (**Execution Date**).

**by and amongst:**

- (1) **NAVAS MEERAN**, an Indian citizen and resident, aged [●] years residing at [●] and having PAN AEIPM2852E (**NM**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include his legal heirs and permitted assigns), and
- (2) **FEROZ MEERAN**, an Indian citizen and resident, aged [●] years residing at [●] and having PAN AAHPF7559G (**FM**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include his legal heirs and permitted assigns) of the **FIRST PART**;

**AND**

- (3) [●]<sup>1</sup>, a company incorporated under the laws of [●] and having its registered office at [●] (**Purchaser**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **SECOND PART**;

**AND**

- (4) **EASTERN CONDIMENTS PRIVATE LIMITED**, a company incorporated under the laws of India, with corporate identification number U15499KL1989PTC005449 and having its registered office at MP – VI, 151A, Eastern Valley, PB No.15, Adimali, Idukki District, Kerala 685 561, India, (**Company**, which expression shall, unless repugnant to the context or meaning thereof, be deemed to include its successors and permitted assigns) of the **THIRD PART**.

NM and FM are individually referred to as a **Selling Shareholder** and collectively referred to as the **Selling Shareholders**. The Selling Shareholders, the Purchaser and the Company are collectively referred to as **Parties** and individually referred to as a **Party**.

**WHEREAS:**

- (A) The Company is a private limited company incorporated under the Act and is engaged in the business of manufacture, distribution, marketing and/or sale of the Company Products (**Business**). The Selling Shareholders are shareholders of the Company and own [●] Shares.
- (B) The Selling Shareholders wish to sell the Sale Shares (as defined below) and the Purchaser has agreed to purchase the Sale Shares from the Selling Shareholders on the terms and conditions set out in this Agreement.<sup>2</sup>
- (C) The Parties are desirous of entering into this Agreement to record the terms on which the Purchaser will purchase the Sale Shares from the Selling Shareholders.

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<sup>1</sup> To be updated based on which entity is the Purchaser at the time.

<sup>2</sup> To be updated based on the trigger event for the sale under the SPA.

## THE PARTIES AGREE AS FOLLOWS:

### 1. DEFINITIONS AND INTERPRETATION

In this Agreement the following terms, to the extent not inconsistent with the context thereof, shall have the meanings assigned to them below:

**Act** means the Companies Act, 1956 and the Companies Act, 2013 (as amended from time to time and any statutory modification or re-enactment thereof), to the extent notified by the Central Government in the Official Gazette of the date on which the provisions of the Companies Act, 2013 have or will come into force. Provided that if the Central Government appoints different dates for the coming into force of different provisions of the Companies Act, 2013, then the term "Act" will refer to only those notified provisions of the Companies Act, 2013 and in all other cases, the term "Act" will refer to the Companies Act, 1956.

**Affiliate** of a Person (a) not being a natural Person (the **Subject Person**) means, any other Person that, either directly or indirectly through one or more intermediate Persons, Controls or is Controlled by or is under common Control with the Subject Person; and (b) being a natural Person (the **Natural Person**) means, any Relative of such Natural Person, or any Entity which is Controlled by or is under common Control with such Natural Person or his/her Relative(s).

**Anti-Corruption Legislation** means any Applicable Law relating to bribery, money laundering and other corrupt practices including but not limited to such laws implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the US Foreign Corrupt Practices Act (FCPA) (as amended) and the UK Anti-bribery Act (as amended).

**Applicable Law** means with respect to any Person, all applicable statutes, enactments, acts of legislature or parliament, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court, or with respect to a company any recognised stock exchange(s) on which such Person or its Affiliates are listed, as may be relevant, including the Oslo Stock Exchange as applicable to such Person.

**Approvals** mean all approvals, as may be required, from: (a) the Government of India or any other Government Authority, including without limitation any Consent required under Applicable Law; or (b) any Third Party; for the consummation of the transactions under this Agreement.

**Big4 Firm** means any of Deloitte, Ernst and Young, KPMG and PricewaterhouseCoopers and their respective affiliates or member firms.

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

**Closing** means completion of all events set out in Clause 3.

**Company Products** mean straight spice powder (i.e. single ingredient spice powder), blended spice powders, pickles, rice powders and other rice-based products and "ready to cook" and "ready to eat" range of food products.

**Consent** means any licence, permit, approval, consent, order, ratification, permission, qualification, waiver or authorisation.

**Control** (including with correlative meanings, the terms **Controls, Controlled by and under common Control with**) means the direct or indirect beneficial ownership of or the right to vote in respect of, directly or indirectly, more than 50% (fifty percent) of the voting shares or securities or the power to control the majority of the composition of the board of directors or the power to create or direct the management or policies by contract or otherwise or any or all of the above.

**Encumbrance** means any mortgage, charge (whether fixed or floating), pledge, lien (statutory or other), claim, assignment, hypothecation, trust, security interest, right of other Persons (including right of pre-emption, right of first refusal), beneficial interest, title defect, title retention, voting interest agreement, interest, option, commitment, easement, encumbrance, restriction or limitation of any nature (including on transfer, use, voting, non-disposal, or exercise of any other attribute of ownership) or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person, in each case under any arrangement or any agreement, written or oral, whether conditional or otherwise, voluntary or under Applicable Law, to create any of the foregoing and includes any right granted by a transaction which in legal terms is not the granting of security but which has the economic or financial effect similar to the granting of security.

**Entity** means any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organisation or entity whether or not required to be incorporated or registered under Applicable Law.

**Export Control Legislation** means any Applicable Law relating to the export, transfer, use, supply or trade in goods or technology or provision of technical assistance in any jurisdiction.

**Government Authority** means any applicable government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administrative functions pursuant to Applicable Law, of or pertaining to government, or any other government authority including any taxation authority, agency, department, board, commission or instrumentality or any political subdivision thereof, and any court, tribunal or arbitrator(s) of competent jurisdiction, and, any governmental or non-governmental self-regulatory organisation, agency or authority, including applicable stock exchanges; having jurisdiction over any of the Parties or the assets or operations thereof, or any of the transactions contemplated hereby.

**Group Entities** means (a) the Company, (b) its Subsidiaries and (c) the JV Company.

**IT Act** means the Income-tax Act, 1961, as may be amended or supplemented from time to time (and any successor provisions) including any statutory modifications or re-enactment thereof together with all applicable by-laws, rules, regulations, orders, ordinances, policies, directions and similar Laws or supplements issued thereunder.

**JV Company** means Eastern Condiments Middle East & North Africa FZC.

**Key Employees** means the following employees of the Company:

| Sr. No | Name                | Designation                              |
|--------|---------------------|------------------------------------------|
| 1.     | K. Krishna Kumar    | (Chief procurement officer)              |
| 2.     | Saji Varghese       | (Van sales - Kerala)                     |
| 3.     | Lovely Baby         | (General manager)                        |
| 4.     | Saramma Biju        | (Assistant general manager)              |
| 5.     | Adarsh A            | (Deputy general manager - manufacturing) |
| 6.     | Salaam              | (Manufacturing)                          |
| 7.     | Krithika PV         | (General manager - sales)                |
| 8.     | Sivapriya Balagopal | (R&D)                                    |
| 9.     | Vijesh I.V.         | (Finance)                                |
| 10.    | Bindu VR            | (Human resources)                        |
| 11.    | Vinod Nair          | (Assistant general manager - logistics)  |
| 12.    | KUS Prabhakar       | (General manager-treasury)               |
| 13.    | Neelakantan Kushal  | (General manager-sales)                  |
| 14.    | Ragee Raju          | (Company secretary)                      |
| 15.    | Biju Job            | (Marketing)                              |
| 16.    | Ajit Joseph         | (Deputy General Manager)                 |
| 17.    | Gangadharam C       | Head of Rest of India – (GT) Business    |

**Litigation** means any action, claim, demand, suit, proceeding, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise, in law or in equity, pending by or before any Government Authority or arbitrator.

**Losses** mean actual losses, damages, claims, amounts, fines, interest, expenses, costs (including reasonable attorney fees), liabilities or injuries (including those arising out of or based upon or in relation to any Tax Liability, any action, suit, judgment, award, demand, settlement) but shall exclude indirect and remote losses, punitive, consequential or other exemplary damages as disallowed by Section 73 of the Contract Act, 1872.

**Person** means any natural person or an Entity.

**Purchaser Warranties** mean the representations and warranties provided by the Purchaser under Clause 4.3 of this Agreement.

**Relative** of an individual means the spouse, parents or children of such individual.

**Seller Warranties** mean the representations and warranties provided by each Selling Shareholder under Clause 4.1 of this Agreement.

**Seller Tax Warranties** mean the representations and warranties provided by each Selling Shareholder under Clause 4.2 of this Agreement.

**Selling Shareholder Tax Disclosure Document** mean the disclosures by the Selling Shareholder(s) as qualifications to the Seller Tax Warranties, which shall be in a form agreed between the Selling Shareholder and the Purchaser.

**INR** refers to the Indian Rupee, being the lawful currency of India.

**IT Act** means the Income Tax Act, 1961.

**Sale Consideration** means the collective number of Sale Shares multiplied by the Sale Share Price.

**Share(s)** mean any shares in the Company whether they be equity shares, preference shares or otherwise.

**Share Purchase Agreement** means the share purchase agreement dated [●] executed by and amongst MTR Foods Private Limited, Eastern Condiments Private Limited and certain shareholders of Eastern Condiments Private Limited, including NM and FM, as amended from time to time.

**Shareholders' Agreement** means the shareholders' agreement dated [●] executed by and amongst MTR Foods Private Limited, Orkla Asia Pacific Pte Limited, Orkla Food Ingredients AS, NM and FM, as amended from time to time.

**Subsidiary(ies)** means BAMS Condiments Impex Private Limited, Eastern Food Speciality Formulations Private Limited and any other subsidiary (as defined under the Act) of the Company.

**Tax** or **Taxes** means all forms of taxation, impositions, duties, imposts, contributions and levies in the nature of taxation including without limitation corporate income tax, transfer taxes, Goods and Service Tax, withholding tax, social security contributions, value added tax, service tax, customs and excise duties, other legal transaction taxes, dividend distribution tax, real estate taxes, other municipal taxes and duties, environmental taxes and duties and any other type of taxes and duties, together with any interest, penalties, surcharges or fines, cess, relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction.

**Tax Authority** means any relevant Governmental Authority, which has the authority to levy any Tax, including a Governmental Authority under the IT Act.

**Tax Collected at Source** or **TCS** means the income-Tax which is required to be collected by the relevant Selling Shareholder from the Purchaser, if applicable, as per the provisions of the

IT Act in relation to the sale and purchase of the Sale Shares sold by NM in the manner as contemplated in this Agreement.<sup>3</sup>

**TCS Amount** means the amount remitted as TCS by the Purchaser to the relevant Selling Shareholder along with and simultaneous with the payment of the Sale Consideration, in accordance with the terms of this Agreement.<sup>4</sup>

**Third Party** means any Person who is not a party to this Agreement.

**Withholding Tax Amount** means the amount of Taxes to be withheld by the Purchaser, if applicable, as per the provisions of the IT Act in relation to the sale and purchase of the Sale Shares in the manner as contemplated in this Agreement.<sup>5</sup>

## 2. TRANSACTION

- 2.1. Subject to and in accordance with the other terms of this Agreement, the Selling Shareholders shall sell [●] Shares held by them in the Company (the **Sale Shares**) free and clear of all Encumbrances to the Purchaser and the Purchaser will acquire the Sale Shares from the Selling Shareholders at a price of INR [●] per Sale Share (**Sale Share Price**).
- 2.2. The Selling Shareholders shall bear all Taxes that are levied on them under Applicable Law in respect of the sale of the Sale Shares and shall not be entitled to pass on such Taxes to the Purchaser as the purchaser of the Sale Shares. The Purchaser shall bear all Taxes that it is levied on it under Applicable Law in respect of the purchase of the Sale Shares and shall not be entitled to pass on such Taxes to the Selling Shareholders as the sellers of the Sale Shares.

## 3. CLOSING<sup>6</sup>

- 3.1. The Closing shall take place on a date mutually agreed between the Selling Shareholders and the Purchaser (**Closing Date**), in any event no later than the timeline specified in the Share Purchase Agreement.
- 3.2. At Closing<sup>7</sup>:
  - (a) the Selling Shareholders shall deliver a certificate to the Purchaser confirming that the Seller Warranties and the Seller Tax Warranties are true, complete and accurate as on the Closing Date;
  - (b) the Selling Shareholders shall deliver to the Purchaser a certificate from a Big4 Firm specifying the status of Tax proceedings (along with evidence from the income tax

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<sup>3</sup> To be retained if TCS is applicable

<sup>4</sup> To be retained if TCS is applicable

<sup>5</sup> To be retained if Withholding Tax is applicable

<sup>6</sup> Appropriate clauses on outstanding obligations to be inserted basis the exit trigger/timing.

<sup>7</sup> Additional conditions to be fulfilled at or prior to Closing may be included.

website in respect of the same) if any, in respect of the Selling Shareholders (**Big4 Certificate**) together with a reliance letter, both in the same format as provided under the Share Purchase Agreement;

- (c) the Purchaser shall wire the Sale Consideration (*minus* the applicable Withholding Tax Amount **OR** plus the TCS Amount applicable on the Sale Consideration<sup>8</sup>) to the bank accounts of the Selling Shareholders in the proportion set out in Schedule 1, and shall issue a copy of such remittance instructions to the Selling Shareholders;
  - (d) the Selling Shareholders shall deliver duly executed irrevocable delivery instruction slips to their respective depository participants for the transfer of the Sale Shares and provide a copy of such irrevocable instructions to the Company and the Purchaser;
  - (e) NM shall tender his resignation from the Board effective from Closing; and
  - (f) the Company shall convene a Board meeting to:
    - (i) approve and record the transfer of the Sale Shares from the Selling Shareholders to the Purchaser; and
    - (ii) take on record the resignation of NM.
- 3.3. The Company shall, within 30 (thirty) days from the Closing Date, report such resignation of NM to the relevant Government Authorities as may be required by Applicable Law.
- 3.4. [Upon completion of Closing, the Purchaser shall report its acquisition of the Sale Shares by filing Form DI with the Reserve Bank of India within 30 (thirty) days of the Closing Date]<sup>9</sup>.
- 3.5. [Within 7 (seven) days from the Closing Date, the Purchaser shall deposit the Withholding Tax Amount with the applicable Tax authorities, and shall provide to the Selling Shareholders within 7 (seven) days of such deposit, a copy of the receipt confirming such deposit.
- 3.6. Upon completion of Closing, within the applicable due date for the filing of such returns, the Purchaser shall file returns in form 26Q on a quarterly basis within 7 (seven) days from the end of the relevant quarter, as per Rule 31A of the Income Tax Rules, 1962 (**IT Rules**) in relation to the Withholding Tax Amount deposited by it with applicable Tax authorities in relation to the sale and purchase of the Sale Shares, and issue to the Selling Shareholders the appropriate withholding tax certificate in form 16A as per Rule 31 of the IT Rules to the Selling Shareholders within 7 (seven) days from the date of filing the returns in accordance with this Clause. The Purchaser shall extend reasonable cooperation to the Selling Shareholders to enable the Selling Shareholders to utilize the credit of the Withholding Tax Amount deposited by the Purchaser. The Selling Shareholders shall furnish all necessary details as may be reasonably requested by the Purchaser to make such payment and issue the withholding tax certificate in accordance with this Clause.

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<sup>8</sup> Relevant provision to be suitably retained

<sup>9</sup> To be suitably amended basis the Purchaser's identity.

**OR**

- 3.7. Upon completion of Closing and within 10 (ten) days thereof, the relevant Selling Shareholder shall deposit the TCS Amount with the Tax Authorities, and within 7 (seven) days of such deposit, provide to the Purchaser a copy of the receipt confirming such deposit.
- 3.8. Upon completion of Closing, the relevant Selling Shareholder shall file returns in Form 27EQ within 10 (ten) days from the end of the quarter in which Closing takes place, as per Rule 31AA of the Income-tax Rules, 1962 (**IT Rules**), in respect to the TCS Amount deposited by such Selling Shareholder with the applicable Tax Authorities in relation to the sale and purchase of the Shares. The relevant Selling Shareholder shall provide to the Purchaser the appropriate TCS certificate in form 27D as per Rule 37D of the IT Rules within 10 (ten) days from the date of filing the return in accordance with this Clause, subject to same being available for generation in TRACES system, however, the relevant Selling Shareholder shall provide to the Purchaser the appropriate TCS certificate no later than 7 (seven) days from the date on which the same is available for generation in TRACES system. The Purchaser shall furnish all necessary details as may be reasonably requested by the relevant Selling Shareholder to make such payment and issue the certificate of TCS to the Purchaser. The relevant Selling Shareholder shall extend reasonable cooperation to the Purchaser to enable the Purchaser to utilize the credit of the TCS Amount deposited by the relevant Selling Shareholder with the Tax Authorities.]<sup>10</sup>

**4. REPRESENTATIONS AND WARRANTIES**

- 4.1. Each Selling Shareholder represents and warrants to the Purchaser in respect of themselves, that each of the following representations and warranties are true, accurate and not misleading as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:
- (a) Each Selling Shareholder is the legal, registered and beneficial owner of his respective portion of the Sale Shares, free and clear of any Encumbrances and has full, unrestricted power and unqualified right to execute this Agreement.
  - (b) There is no Litigation involving the Sale Shares or which could prevent him from fulfilling his obligations as set out in this Agreement. The Selling Shareholder has not received any notice from any Person claiming to be entitled to the Sale Shares or having any right or interest thereon.
  - (c) Each Selling Shareholder has the right to exercise all voting rights over and in respect of his respective portion of the Sale Shares. There are no voting trusts or other similar agreements with respect to the Sale Shares.
  - (d) No Selling Shareholder has executed any conflicting powers of attorney, delegations of authority, proxies or any other similar instruments in relation to the Sale Shares.

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<sup>10</sup> To be retained as applicable, and the timelines to be confirmed at the relevant point in time

- (e) Each Selling Shareholder has the requisite power, authority and capacity to enter into this Agreement, to perform his obligations thereunder, and to undertake the transactions contemplated therein, and the Selling Shareholder has not been adjudicated as being insolvent or bankrupt and there are no bankruptcy, insolvency or other similar proceedings under Applicable Law admitted against the Selling Shareholder.
  - (f) The execution and delivery of this Agreement and the consummation of the transactions contemplated under this Agreement by each Selling Shareholder to the extent applicable to such Selling Shareholder:
    - (i) do not constitute a breach of Applicable Law;
    - (ii) do not constitute a breach of any agreement to which he is a party, or which applies to him;
    - (iii) constitute a valid and binding obligation on his part, enforceable against him in accordance with its terms; and
    - (iv) [do not require any approval or consent from any Government Authority or a third party.<sup>11</sup>]
  - (g) No Selling Shareholder has made any claims against the Company (including indemnity claims) which remains outstanding as on date and no Selling Shareholder has any reason to believe that any circumstance exists which entitles him to make a claim against the Company with respect to his investment in the Company or in relation to the Sale Shares.
  - (h) No Selling Shareholder is prohibited under applicable Anti-Corruption Legislation and Export Control Legislation from executing this Agreement and consummating the transactions set out in this Agreement.
- 4.2. Each Selling Shareholder further represents and warrants to the Purchaser that each of the following representations and warranties are true, accurate, complete and not misleading as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:
- (a) Each Selling Shareholder is a Tax resident of India.
  - (b) Each Selling Shareholder has not received any notice or intimation of any proceedings under the IT Act, which is pending, initiated or to the best of his knowledge, threatened against such Selling Shareholder except to the extent set out in Selling Shareholder Tax Disclosure Document and/or the Big4 Certificate, as the case may be.

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<sup>11</sup> To be revised based on the structure of the transaction and the then prevalent laws.

- (c) No events have occurred and no circumstances exist which is likely to result in initiation of Tax proceedings against the Selling Shareholders.
  - (d) The Selling Shareholders will duly pay all Taxes which become due on completion of pending proceedings mentioned in the Big4 Certificate or Selling Shareholder Tax Disclosure Document and or otherwise, and all Taxes accruing or arising on the sale of the Sale Shares as applicable to them.
  - (e) Documents and information furnished by the Selling Shareholders to the Big4 Firm for obtaining the Big4 Certificate in accordance with this Agreement are true, accurate, complete and not misleading in any manner.
- 4.3. The Purchaser represents and warrants to each of the Selling Shareholders that each of the following representations and warranties are true, accurate, complete and not misleading as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:
- (a) it has the necessary corporate authority, consents and waivers have been obtained, to sign and deliver this Agreement and exercise its rights and perform its obligations under this Agreement;
  - (b) it is duly incorporated in the place of its incorporation, validly existing under Applicable Laws and has all requisite corporate power, authority and capacity to enter into the Agreement, to perform its obligations thereunder and to undertake the transactions contemplated therein;
  - (c) the execution and delivery of this Agreement by the Purchaser will be a legal, valid and binding obligation of the Purchaser enforceable in accordance with its terms;
  - (d) the execution and delivery of this Agreement, the promises, agreements or undertakings of the Purchaser under this Agreement and the consummation of the transactions contemplated under this Agreement by it: (i) have been duly authorised by all necessary actions on its part; (ii) do not violate or constitute a breach of any Applicable Law or violate; (ii) do not contravene the provisions of or constitute a default under any contracts to which it is a party, or which are applicable to it; (iii) constitute a valid and binding obligation on its part, enforceable against it in accordance with its terms; and (v) do not require any consent from third parties (including any Government Authority);
  - (e) there are no legal, quasi-legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions or governmental investigations of any nature pending against the Purchaser and no such notice has been served upon or delivered to the Purchaser with respect to any such proceeding, claim, action or governmental investigation against the Purchaser, which relates in any manner to this Agreement or which could adversely impact its ability to perform this Agreement; and
  - (f) It is not prohibited under applicable Anti-Corruption Legislation and Export Control Legislation to execute this Agreement and consummate the transactions set out in this Agreement.

4.4. The Company represents and warrants to the other Parties that each of the following representations and warranties are true, accurate, complete and not misleading as of the Execution Date and shall be true and correct as of the Closing Date with the same force and effect as if they had been made on and as of such date:

- (a) it has the power and authority to execute and deliver this Agreement and is not prohibited from entering into this Agreement;
- (b) the execution of this Agreement by the Company has been duly authorized by the Board and upon execution and delivery by the Company will be a legal, valid and binding obligation of the Company enforceable in accordance with its terms;
- (c) the execution and delivery of this Agreement by the Company and the promises, agreements or undertakings of the Company under this Agreement do not violate any Applicable Law or violate or contravene the provisions of or constitute a default under any contracts to which it is a party, or which are applicable to it; and
- (d) there are no legal, quasi-legal, administrative, arbitration, mediation, conciliation or other proceedings, claims, actions or governmental investigations of any nature pending against the Company and no such notice has been served upon or delivered to the Company with respect to any such proceeding, claim, action or governmental investigation against the Company which relates in any manner to this Agreement or which could adversely impact its ability to perform this Agreement.

4.5. Each representation and warranty is to be construed independently of the others and is not limited by reference to any other representation and warranty.

## 5. **INDEMNIFICATION**

5.1. The Selling Shareholders shall jointly and severally indemnify, defend and hold the Purchaser and the Company harmless, as per the procedure set out herein, against any and all Losses suffered by the Indemnified Parties (defined below), arising out of or relating to:

- (a) any inaccuracy in or any breach of the Seller Warranties or the Seller Tax Warranties; or
- (b) a breach of any covenant or obligation of the Selling Shareholders contained in this Agreement.

5.2. The Purchaser shall indemnify, defend and hold the Selling Shareholders harmless, as per the procedure set out herein, against any and all Losses suffered by the Indemnified Parties, arising out of or relating to:

- (a) any inaccuracy in or any breach of the Purchaser Warranties; or
- (b) a breach of any covenant or obligation of the Purchaser contained in this Agreement.

5.3. For the purposes of this Clause 5, the Selling Shareholders and the Purchaser shall be referred to as the **Indemnifying Parties** or the **Indemnified Parties**, as the context may require.

5.4. The rights of an Indemnified Party pursuant to this Clause 5 shall be in addition to and not exclusive of, and shall be without prejudice to, any other rights and remedies available to such Indemnified Party at equity or law including the right to seek specific performance, rescission, restitution or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby, provided the Indemnified Party shall not be entitled to double recovery in respect of the same Loss through an indemnification claim under this Clause 5 as well as through exercise of other rights that may be available to it in law or equity. Provided however that the rights of an Indemnified Party under this Clause 5 shall be the sole monetary remedy of such Indemnified Party in respect of the matters set out in Clauses 5.1 and 5.2, as the case may be.

#### 5.5. **Indemnification Procedure - Third Party Claim**

- (a) In the event that any of the Indemnified Parties become aware of any matter or receive a notice of Litigation from a Third Party which has resulted or could result in a Loss (**Third Party Claim**) to such Indemnified Party, the Indemnified Party shall promptly and in any event within the earlier of (i) 15 (fifteen) days of receipt of the Third Party Claim; or (ii) where the due date to respond to such Third Party Claim (including the Third Party Claim raised by a Government Authority such as a Tax authority) provided in such notice is less than 15 (fifteen) days from the date of the notice, then such reasonably shorter time period, notify the Indemnifying Party of such Third Party Claim (**Third Party Claim Notice**) along with a copy of the notice received from the Third Party, and an estimate of Loss arising on account of the Third Party Claim, if available. Provided however, that any delay to so notify the Indemnifying Party shall not relieve the Indemnifying Party from any obligation or liability except to the extent the Indemnifying Party is actually prejudiced by such delay in which case the Indemnifying Party shall not be liable to indemnify the Indemnified Party solely to the extent of the incremental Loss suffered by the Indemnified Party on account of such delay. The delivery of the Third Party Claim Notice shall not preclude the Indemnified Party from raising additional claims if there is any increase in the extent of Losses actually incurred by the Indemnified Party in addition to the amount claimed in the Third Party Claim. It is clarified that Losses arising out of the same fact or issue shall be deemed to be a single incident of Loss for the purpose of Clause 5.5(a) irrespective of whether the claim is made through one or more Third Party Claim(s).
- (b) In the event that the Third Party Claim relates to any inaccuracy, misrepresentation or any breach of any Seller Warranty, Seller Tax Warranty or Purchaser Warranty, as the case may be, the Indemnifying Party may by giving written notice to the Indemnified Party communicate its intention to either:
  - (i) assume, at its expense, the defence of any such Third Party Claim, with the assistance of counsel satisfactory to the Indemnified Party (provided in the event that the Indemnified Party does not communicate its acceptance or rejection of the counsel within 10 (ten) days of receipt of notice from the Indemnifying Party, the Indemnifying Party shall be entitled to appoint a

reputable counsel at its discretion), in which case (A) the Indemnifying Party shall not make any representation on behalf of the Indemnified Party, without the prior written consent of the Indemnified Party, (B) the Indemnifying Party shall be liable to make all payments and bear all costs and expenses as may be required during the course of, and as an outcome of, the proceedings with respect to the Third Party Claim, (C) the Indemnified Party shall have the right to participate (but not control) the defence of such Third Party Claim with counsel of its election, at its own cost and (D) the Indemnified Party shall reasonably cooperate with the Indemnifying Party in relation to the conduct of any dispute, defence, compromise or appeal in connection with the Third Party Claim. The Indemnified Party shall not consent to entry of any judgment or enter into any settlement, without the prior written approval of the Indemnifying Party; OR

(ii) settle the Third Party Claim in consultation with the Indemnified Party, provided the Indemnifying Party shall ensure that as a term of such settlement, (A) there is no admission of liability by the Company or the Purchaser, as the case may be, and (B) the Indemnified Party is unconditionally released by the Third Party without any further liability. The Indemnified Party shall not consent to entry of any judgment or enter into any settlement, without the prior written approval of the Indemnifying Party; OR

(iii) request the Indemnified Party to assume the defence of such Third Party Claim or in the event that the Indemnifying Party after assuming the defence does not defend such Third Party Claim or does not make such interim payments as may be required to be deposited with, or at the direction of the, Government Authority, then (A) the Indemnifying Party shall deposit with the Indemnified Party an amount equal to the amount of the Third Party Claim (**Third Party Claim Amount**), (B) the Indemnifying Party shall reasonably cooperate with the Indemnified Party in relation to the conduct of any dispute, defence, compromise or appeal of the Third Party Claim, (C) the Indemnifying Party shall be liable to indemnify the Indemnified Party for Loss arising on account of such Third Party Claim or defense thereof; provided the Third Party Claim Amount already paid to the Indemnified Party shall be set off from such Loss, (D) the Indemnified Party shall have the sole right to settle the Third Party Claim at any time provided that, in case of such settlement, the Indemnifying Party shall have no further monetary liability towards the Indemnified Party.

(c) The Indemnifying Party shall be liable to indemnify the Indemnified Party within 60 (sixty) days of settlement or Final Adjudication of the Third Party Claim, as the case may be (**Final Due Amounts**) (which shall be grossed up as contemplated in Clause 5.9). **Final Adjudication** shall mean a decision of a Government Authority affixing liability on the Indemnified Party, which has not been appealed against within the appeal period prescribed under Applicable Law.

#### 5.6. Indemnification Procedure - Direct Claim

- (a) If the Indemnified Party suffers any Losses or becomes aware of any matter which could result in a Loss (save and except any Loss that may arise from a Third-Party Claim), the Indemnified Party shall deliver within 30 (thirty) days of the incurrence of such Loss or becoming aware of any matter which could result in such a Loss, as the case may be, to the Indemnifying Party a certificate (**Claim Certificate**) setting out an estimate of the Loss and the details and documentary evidence reasonably necessary to evaluate the claim (**Direct Claim**). It is clarified that the delivery of the Claim Certificate shall not preclude the Indemnified Party from raising additional claims if after delivering the Claim Certificate there is any increase in the extent of Losses actually incurred than what was stated in the Claim Certificate. If the Indemnifying Party objects to the indemnification of an Indemnified Party in respect of any Losses claimed in the Claim Certificate, the Indemnifying Party shall, within 15 (fifteen) Business Days after receipt by the Indemnifying Party of the Claim Certificate, deliver to the Indemnified Party a notice to such effect and the Indemnifying Party and the Indemnified Party shall, within 15 (fifteen) Business Days from the date of receipt by the Indemnified Party of such objection, attempt in good faith to agree upon the rights of the respective Parties with respect to the Direct Claim to which the Indemnifying Party shall have so objected. If the Parties succeed in reaching an agreement on their respective rights with respect to any of such Direct Claims, the Parties shall promptly prepare and sign a memorandum setting out that agreement. Should the Parties be unable to agree as to any particular item or items or amount or amounts, the dispute shall be settled in accordance with the procedure set out in Clause 9 (Dispute Resolution).
- (b) Direct Claims to which the Indemnifying Party does not object in writing within 15 (fifteen) Business Days of receipt of the Claim Certificate, and Direct Claims, the validity and amount of which have been decided through a Claim Decision, or which have been settled with the consent of the Indemnifying Party, as described in this Clause 5.6, are referred to, collectively, as **Agreed Claim Amounts** (which shall be grossed up as contemplated in Clause 5.9). Within 60 (sixty) days of any amounts being deemed or determined as Agreed Claim Amounts, the Indemnifying Party shall pay to the Indemnified Party an amount equal to the Agreed Claim Amount by wire transfer, in immediately available funds.

#### 5.7. Limitation of Liability

The liability of the Indemnifying Party under this Clause:

- (a) shall not exceed the Sale Consideration, except in case of fraud;
- (b) shall stand extinguished on the expiry of the applicable statutory limitation period for Losses arising out of a breach of the Seller Warranties or Purchaser Warranties, as the case may be; and
- (c) shall stand extinguished on the eighth anniversary from the end of the Financial Year of the Closing Date in case of breach of the Seller Tax Warranties.

5.8. It is acknowledged and agreed that the benefit of the Seller Warranties and the Seller Tax Warranties, and of the indemnities granted under this Clause 5 (along with and subject to the limitations set out hereunder) shall extend to any transferee to whom the Purchaser may subsequently transfer the Sale Shares.

5.9. All indemnity payments as contemplated under this Clause 5 shall be paid by the Indemnifying Party net of all Taxes. In respect of any matter in relation to which an Indemnified Party is entitled to be indemnified under this Agreement, the Indemnifying Party shall pay in addition to the Third Party Claim Amount or the Agreed Claim Amount, as the case maybe, a further payment (**Additional Payment**) to the Indemnified Party so that the sum of the Third Party Claim Amount or the Agreed Claim Amount, as the case maybe, and the Additional Payment shall, after deducting from such payments the amount of all Taxes required to be paid in respect of the receipt or accrual of such payments, be equal to the Third Party Claim Amount or the Agreed Claim Amount, as the case maybe.

5.10. It shall be the obligation of the Indemnifying Party to obtain Approvals as may be necessary to make the indemnity payments as contemplated under this Clause 5 and the Indemnified Party shall extend reasonable cooperation to the Indemnifying Party to obtain such Approvals.

## 6. NOTICES

6.1. Any notice and other communications provided for in this Agreement shall be in writing and shall be given as follows -

### **Selling Shareholder**

Attention: [•]  
Address: [•]  
Email: [•]

### **Purchaser**

Attention: [•]  
Address: [•]  
Email: [•]

### **Company**

Attention: [•]  
Address: [•]  
Email: [•]

6.2. All notices shall be deemed to have been validly delivered (a) if delivered in person or by messenger, when proof of delivery is obtained by the delivering Party; and (b) if given or made by email, upon dispatch and the receipt of a transmission report confirming dispatch.

- 6.3. Any Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other Parties not less than 15 (fifteen) days prior written notice.

## 7. NON-COMPETE AND NON-SOLICITATION

- 7.1. In consideration of the Purchaser agreeing to acquire the Sale Shares as contemplated under this Agreement, each Selling Shareholder and agrees that from the Closing Date and until the [●]th<sup>12</sup> anniversary of the Closing Date such Selling Shareholder shall not directly or indirectly (including through his Affiliates):

- (a) in the Territory, own, manage, operate, control, be employed with, consult, be engaged by or participate in the ownership, management, operation or control of, or be connected in any manner with, any Competing Business;

For the purposes of this Clause:

**Competing Business** means (i) any business of the type and character engaged in or competitive with that conducted by the Company (or any of its Group Entities) on the Closing Date (as defined under the Share Purchase Agreement), including the Business; and (ii) any new business being considered by the Board, as recorded in the minutes of the meeting of the Board, save and except the businesses in which the Selling Shareholders are currently involved, as set out in schedule 6 (Existing Minority Shareholder Businesses) of the Shareholders' Agreement or as updated from time to time by the Selling Shareholder, provided any such new business shall not have been considered by the Board prior to such disclosure by the Selling Shareholder in accordance with (ii) above, and the details of such business have been disclosed to the Board by the Selling Shareholder prior to undertaking such business. It is further agreed that ownership of securities of 2% (two percent) or less of a listed company that is engaged in the Competing Business shall not be considered to be competition with the Group Entities; and

**Territory** has the meaning ascribed to the term in the Share Purchase Agreement;

- (b) persuade or attempt to persuade any potential customer or client to which the Company (or any of its Group Entities) has made a presentation, or with which the Company (or any of its Group Entities) has had discussions (to the extent that they have knowledge), not to hire the Company (or any of its Group Entities);
- (c) solicit away from the Company (or any of its Group Entities) for such Selling Shareholder or any Person, the business of any Person who is a customer or client of the Company (or any of its Group Entities), as on the Closing Date or in any way interfere with the relationship between the Company (or any of its Group Entities) and

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<sup>12</sup> To be updated based on the number of years left in the Share Purchase Agreement or the CXO Agreement - Company or the MD Agreement.

any such person or business relationship (including making any negative or disparaging statements or communications about the Company (or any of its Group Entities));

- (d) persuade or attempt to persuade any supplier or vendor or any other business partner of the Company (or any of its Group Entities) as on the Closing Date to not deal with the Company or any of its Group Entities or in any way interfere with the relationship between the Company (or any of its Group Entities) and any such Person or business relationship (including making any negative or disparaging statements or communications about the Company (or any of its Group Entities));
- (e) make or attempt in any manner to make any offer for employment or offer to be engaged in any other capacity or enter into any discussion or negotiations with a view to making an offer of employment or offer to be engaged in any other capacity, with any of the Key Employees; or solicit services from any of the Key Employees, on its own account or entice or attempt to entice any Key Employees away from the Company. The prohibitions in this Clause 7.1 shall not prevent any Selling Shareholder or his Affiliates at any time from running recruitment advertising campaigns and offering employment to any Key Employee who may respond to any such campaign, provided that such campaign is not solely designed to circumvent the prohibition mentioned above or to target specific Persons.

7.2. Each Selling Shareholder agrees and acknowledges that as a shareholder of the Company or by its participation in the management and operations of the Company or any of its Group Entities for a substantial period of time, or both, such Selling Shareholder has gained comprehensive knowledge of the Business and the business of the Company's Group Entities. Such Selling Shareholder further acknowledges that by virtue of its association with the Company and by using the knowledge, expertise and information related to the business, the Selling Shareholder is capable of offering competition to the business carried on by the Company or by its Group Entities, which could cause irreparable harm to the conduct of the business of the Company and its Group Entities.

7.3. In view of the above, each Selling Shareholder acknowledges that the restrictions against it set out in this Clause 7 are reasonable and that the duration of the restriction contained therein, and extent and application of such restriction is no greater than is necessary for the legitimate protection of the business of the Company and its Group Entities, and the goodwill relating to the business of the Company and its Group Entities.

If any particular provision or portion of this Clause 7 is adjudicated to be invalid or unenforceable, this Clause shall be deemed amended to delete therefrom such provision or portion adjudicated to be invalid or unenforceable, and such amendment shall apply only with respect to the operation of such Clause in the particular jurisdiction in which such adjudication is made. The Parties recognize that the performance of the obligations under this Clause is special, unique and extraordinary in character, and that in the event of breach by any Selling Shareholder of the terms and conditions of this Clause, the Purchaser shall be entitled, if it so elects, to claim damages for any breach of this Clause, or to enforce the specific performance thereof by such Selling Shareholder or to restrain such Selling Shareholder from breaching the provisions of this Clause.

## 8. **CONFIDENTIALITY**

8.1. Each Party agrees and undertakes that such Party and its Affiliates, and their respective directors, officers, managers, employees (including those on secondment) (collectively, **Representatives**) shall:

- (a) not make any announcement concerning the transactions contemplated under this Agreement without the prior written consent of the other Parties;
- (b) keep confidential the provisions and subject matter of, and negotiations relating to this Agreement; and
- (c) keep confidential and not use the Confidential Information of the other Parties which has been disclosed to it during the course of negotiations or otherwise in connection with this Agreement.

The term **Confidential Information** means any personal information of a Party, information concerning the organisation, business, intellectual property, technology, trade secrets, know-how (but which excludes general know-how), finance, transactions or affairs of the Company, or any other Party to the Agreement or any of their respective Affiliates, directors, officers or employees (whether conveyed in writing, orally or in any other form and whether such information is furnished before, on or after the date hereof).

8.2. The Selling Shareholders agree and acknowledge that as shareholders of the Company and by their participation in the management and operations of the Company for a substantial period of time, the Selling Shareholders and their Representatives have had access to Confidential Information of the Company (**Shareholder Information**). Subject to the exceptions set out in Clause 8.3 below, the Selling Shareholders shall not and shall ensure that its Representatives shall not, other than in compliance of this Clause, or as otherwise agreed by the Company in writing, (a) utilize any Shareholder Information; (b) reverse-engineer or otherwise exploit any trade secrets, proprietary information, recipes, formulations, ingredients, processes, patterns, technical and non-technical data, formulae or manufacturing processes which embody any Shareholder Information; or (c) disclose any Shareholder Information in any form to any Person. Each Selling Shareholder acknowledges that such Confidential Information constitutes unique and valuable assets of the Company and represent substantial investments of time and expense by the Company and that any disclosure or other use of any Confidential Information would be wrongful and would cause irreparable harm to the Company and the Purchaser.

### 8.3. **Exceptions**

The provisions of Clauses 8.1 and 8.2 above shall not apply to:

- (a) disclosure of Confidential Information that is or comes into the public domain or becomes generally available to the public other than through the act or omission of or as a result of disclosure by or at the direction of a Party or any of its Representatives in breach of this Agreement;

- (b) disclosure, after giving prior notice to the other Parties to the extent reasonably practical under the circumstances and permissible by Applicable Law, and subject to any practicable arrangements to protect confidentiality, to the extent required under the rules of any stock exchange or by Applicable Laws or governmental regulations or judicial process or generally accepted accounting principles applicable to any Party, provided each of the Selling Shareholder and the Company understand and agree that the Purchaser and its Affiliates will disclose the details of the affairs of the Company and the transactions contemplated under this Agreement (i) in its statutory reporting to the Oslo stock exchange, (ii) in its quarterly and annual reporting, or (iii) on its website or otherwise;
- (c) Confidential Information acquired independently by a Party from a third party source who, to the knowledge of such Party, is not obligated to keep such information confidential;
- (d) Confidential Information already known or already in the lawful possession of the Party receiving Confidential Information as of the date of its disclosure by the Person disclosing such Confidential Information, other than any non-public information regarding the Company already known to the Selling Shareholders by virtue of them being in management and board of directors or being shareholders of the Company; and
- (e) disclosure in connection with the performance of obligations or the exercise of rights (including remedies) under this Agreement.

## 9. DISPUTE RESOLUTION

- 9.1. In the event a dispute, controversy or claim (**Dispute**) arises out of or in relation to or in connection with the interpretation or implementation of this Agreement, the Parties (the **Disputing Parties**) shall refer the dispute to binding arbitration by 3 (three) arbitrators in accordance with the rules of the Singapore International Arbitration Centre for the time being in force which rules are deemed to be incorporated by reference in this Clause 9.1. Each Disputing Party shall appoint 1 (one) arbitrator and the 2 (two) arbitrators so appointed shall mutually agree and appoint a 3rd (third) arbitrator.
- 9.2. The arbitration shall be conducted as follows:
- a) the seat and the venue of the arbitration shall be Bengaluru;
  - b) the arbitration proceedings shall be conducted in English;
  - c) the arbitrator shall have the power to award interest on any sums awarded;
  - d) the arbitration award shall be final and binding on the Disputing Parties and the Disputing Parties agree to be bound thereby and to act accordingly;
  - e) the arbitrator may award to a Disputing Party that substantially prevails on the merits, its costs and expenses (including fees of its counsel);
  - f) the Parties shall bear their respective costs incurred in the arbitration unless otherwise awarded or fixed by the arbitration tribunal; and
  - g) the Disputing Parties shall co-operate in good faith to expedite, to the maximum extent practicable, the conduct of any arbitral proceedings commenced pursuant to this Agreement.

9.3. The costs of the arbitration shall be borne by the Parties as determined by the arbitrator(s) in his award.

9.4. The provisions of this Clause 9 shall survive the termination of this Agreement for any reason whatsoever.

## 10. **MISCELLANEOUS PROVISIONS**

### 10.1. **Waiver**

No forbearance, indulgence or relaxation or inaction by any Party at any time to require performance of any of the provisions of this Agreement shall in any way affect, diminish or prejudice the right of such Party to require performance of that provision. Any waiver or acquiescence by any Party of any breach of any of the provisions of this Agreement shall not be construed as a waiver or acquiescence of any right under or arising out of this Agreement or of the subsequent breach, or acquiescence to or recognition of rights other than as expressly stipulated in this Agreement.

### 10.2. **Partial Invalidity**

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

### 10.3. **Amendments**

No modification or amendment to this Agreement and no waiver of any of the terms or conditions hereof shall be valid or binding unless made in writing and duly executed by all the Parties.

### 10.4. **Assignment**

This Agreement and the rights and liabilities hereunder shall bind and inure to the benefit of the respective successors of the Parties. The Parties shall not assign or transfer any or all of its rights and obligations hereunder to any other Person without the prior written permission of the other Parties.

### 10.5. **Entirety**

This Agreement shall constitute the entire agreement between the Parties with respect to the sale and purchase of the Sale Shares and supersedes all other term sheets, agreements, arrangements, understandings and assurances, either written or oral, existing or proposed, between all or amongst any two or more Parties or their affiliates including with any third party

relating to the subject matter hereof. Provided it is clarified that nothing contained herein shall affect the Parties' rights and obligations under the Share Purchase Agreement or any other Promoter Transaction Document (as defined and referenced therein) (**Transaction Agreements**), and the Parties shall continue to be bound by their obligations (including in respect of representations, warranties and indemnities) in accordance with the applicable Transaction Agreement.

**10.6. Headings**

The paragraph headings contained in this Agreement are for the convenience of the Parties and shall not affect the meaning or interpretation of this Agreement.

**10.7. Relationship**

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

**10.8. Governing Law and Jurisdiction**

This Agreement shall be governed and construed in accordance with the Applicable Laws of India. Subject to Clause 9, each Party agrees that the competent courts at Bengaluru, India shall have exclusive jurisdiction to settle any claim or matter arising under this Agreement.

**10.9. Execution in Counterparts**

This Agreement may be executed such number of counterparts that the Parties may deem fit, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument, and any Party may execute this Agreement by signing any one or more of such originals or counterparts. Signatures transmitted by facsimile or e-mail shall be deemed as "original", unless otherwise restricted by Applicable Law or specifically objected to by way of a written notice by any of the other Parties.

**10.10. Authorisation**

The Persons signing this Agreement on behalf of the Parties represent and covenant that they have the authority to so sign and execute this document on behalf of the Parties for whom they are signing.

**10.11. Further Assurances**

Each of the Parties shall perform such further acts and execute such further documents as may reasonably be necessary to carry out and give full effect to the provisions of this Agreement and the purchase of the Sale Shares by the Purchaser from the Selling Shareholder.

**10.12. Costs**

In connection with this Agreement:

- (a) each Party shall pay the legal and other professional costs and expenses incurred by it in connection with the entering into and completion of this Agreement; and
- (b) stamp duty on this Agreement and the share transfer deeds executed in connection with the transfer of the Sale Shares shall be borne equally by the Selling Shareholders and the Purchaser.

## SCHEDULE 1

### PAYMENT INSTRUCTIONS

#### For NM:

|                            |     |
|----------------------------|-----|
| Account Name               | [●] |
| Beneficiary Bank           | [●] |
| Address of the Bank/Branch | [●] |
| Account No.                | [●] |
| IFSC Code                  | [●] |

#### For FM:

|                            |     |
|----------------------------|-----|
| Account Name               | [●] |
| Beneficiary Bank           | [●] |
| Address of the Bank/Branch | [●] |
| Account No.                | [●] |
| IFSC Code                  | [●] |

## **SCHEDULE 2**

### **Part A**

**SHAREHOLDING PATTERN OF THE COMPANY ON THE EXECUTION DATE (Fully diluted basis)**

**[•]**

### **Part B**

**SHAREHOLDING PATTERN OF THE COMPANY ON THE CLOSING DATE (Fully diluted basis)**

**[•]**

**(Signature pages of the SPA to be added)**

In witness whereof the Parties hereto have executed this Agreement on the date and the year first hereinabove written.

**MTR**

**SIGNED by**

Sanjay Sharma, CEO

for MTR Foods Private Limited

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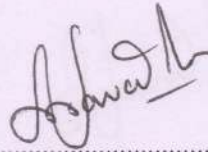
*This signature page forms an integral part of the Share Purchase Agreement executed by and between  
MTR Foods Private Limited, Mr. Navas Meeran, Mr. Feroz Meeran, Other Shareholders listed in  
Schedule 1 and Eastern Condiments Private Limited*

In witness whereof the Parties hereto have executed this Agreement on the date and the year first hereinabove written.

**CURRENT SHAREHOLDER**

**SIGNED by**  
Navas Meeran

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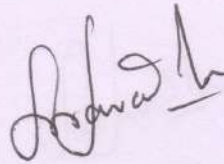


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**COMPANY**

**SIGNED by**  
Navas Meeran, Director  
for Eastern Condiments Private  
Limited

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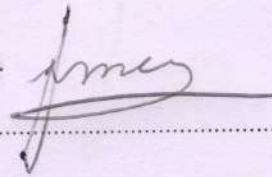
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**CURRENT SHAREHOLDER**

SIGNED by

Feroz Meeran

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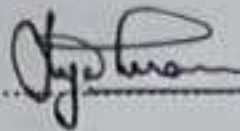
In witness whereof the Parties hereto have executed this Agreement on the date and the year first hereinabove written.

**CURRENT SHAREHOLDER**

**SIGNED by**

Niza Zakeer

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**CURRENT SHAREHOLDER**

**SIGNED by**

Soya Sajith

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*Soya*

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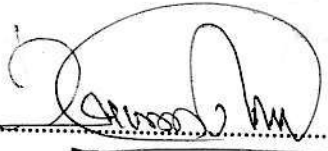
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**CURRENT SHAREHOLDER**

**SIGNED by**

S.M. Mohammed

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**CURRENT SHAREHOLDER**

**SIGNED** by )

Nabeeza Meeran )

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**CURRENT SHAREHOLDER**

**SIGNED** by

M.E. Mohammed

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In witness whereof the Parties hereto have executed this Agreement on the date and the year first hereinabove written.

**CURRENT SHAREHOLDER**

**SIGNED by**

Abacid Aliyar

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*Navas*

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