



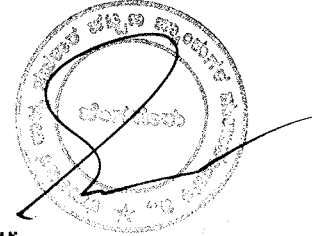
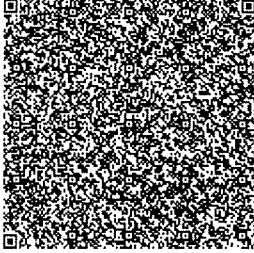
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INDIA NON JUDICIAL

Government of Karnataka

e-Stamp

Certificate No. : IN-KA98434232408600Q
Certificate Issued Date : 05-Dec-2018 12:21 PM
Account Reference : NONACC (BK)/ kakscub08/ BANGALORE4/ KA-BA
Unique Doc. Reference : SUBIN-KAKAKSCUB0832995833220522Q
Purchased by : POT FUL INDIA PRIVATE LIMITED
Description of Document : Article 12 Bond
Description : COUNTERPART
Consideration Price (Rs.) : 0
 (Zero)
First Party : POT FUL INDIA PRIVATE LIMITED
Second Party : MTR FOODS PRIVATE LIMITED
Stamp Duty Paid By : POT FUL INDIA PRIVATE LIMITED
Stamp Duty Amount(Rs.) : 500
 (Five Hundred only)



Please write or type below this line

THIS STAMP PAPER FORMS AN INTEGRAL PART
 OF THE SHAREHOLDERS' AGREEMENT DATED
 7 DECEMBER, 2018

RS

Statutory Alert:

1. The authenticity of this Stamp Certificate should be verified at "www.sholestamp.com". Any discrepancy in the details on this Certificate and as available on the website renders it invalid.
2. The onus of checking the legitimacy is on the users of the certificate.
3. In case of any discrepancy please inform the Competent Authority.

SHAREHOLDERS' AGREEMENT

This shareholders' agreement is executed in Bengaluru on 7 December 2018 (**Execution Date**) by and among:

1. **Pot Ful India Private Limited**, a company incorporated in accordance with the (Indian) Companies Act, 2013 and having its registered office situated at No.181, Amarjyoti Layout, Intermediate Ring Road, Domlur, Bengaluru 560071 (hereinafter referred to as the **Company**, which expression shall, where the context admits, mean and include its successors-in-interest and permitted assigns);
2. **The Persons listed in Schedule I** hereto (hereinafter referred to as the **Promoters**, which expression shall, where the context admits, include their respective heirs, executors, administrators and permitted assigns);
3. **Mr. Anup Kumar**, an Indian citizen bearing permanent account number BJAPA8115J and residing at House No- D 808, Al-Assalah Tower, Ghubra North, Beyond Gmc Show Room, Muscat, Oman (hereinafter referred to as the **Existing Shareholder**, which expression shall, where the context admits, include his respective heirs, executors, administrators and permitted assigns); and
4. **MTR Foods Private Limited**, a company incorporated in accordance with the (Indian) Companies Act, 1956 and having its registered office situated at No.1, 2nd and 3rd Floor, 100 Feet Inner Ring Road, Ejipura, Bengaluru – 560 047 (hereinafter referred to as the **Investor**, which expression shall, where the context admits, mean and include its successors-in-interest and permitted assigns).

WHEREAS:

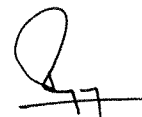
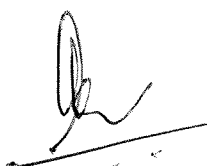
1. The Company is engaged in the Business (as defined hereinafter);
2. The Investor desires to invest in the Company and subscribe to the Investor Equity Shares (as defined hereinafter) on the terms and conditions set out in the SSA (as defined hereinafter) and the Parties have, simultaneously with the execution of this Agreement, executed the SSA; and
3. The Parties are now entering into this Agreement for the purpose of setting forth their specific mutual understanding and agreement as to the rights and obligations of the Parties with regard to the capitalization, organization, management and operation of the Company.

NOW, THEREFORE, IT IS AGREED BY AND AMONG THE PARTIES HERETO AS FOLLOWS:

1. DEFINITIONS & INTERPRETATION

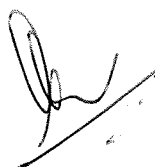
- 1.1 **Definitions:** In this Agreement, unless the context otherwise requires, the following capitalised words and expressions shall have the meanings ascribed to them below:

- 1.1.1 **Act** shall mean the Companies Act, 2013 and includes any amendments, re-enactment



or substitution thereof and shall include any subordinate legislation, rules and regulations framed thereunder from time to time;

- 1.1.2 **Additional Capital Offerees** shall have the meaning ascribed to it in Clause 2.4(b) of this Agreement;
- 1.1.3 **Additional Securities** shall have the meaning ascribed to it in Clause 2.4(a) of this Agreement;
- 1.1.4 **Adjourned Board Meeting** shall have the meaning ascribed to it in Clause 3.6.2 of this Agreement;
- 1.1.5 **Adjourned Shareholders' Meeting** shall have the meaning ascribed to it in Clause 4.2.2 of this Agreement;
- 1.1.6 **Affiliate** of a Person (the **Subject Person**) shall mean, in the case of: (i) a Subject Person, who is not a natural Person, any other Person that, either directly or indirectly, through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such Subject Person; and (ii) a Subject Person who is a natural Person, a Relative of such Subject Person and any other Person that, either directly or indirectly, through one or more intermediate Persons, Controls, is Controlled by or is under common Control with such Subject Person and/or a Relative of such Subject Person. For the purpose of this definition, in relation to the Investor, an Affiliate shall include any alternate investment fund or other investment vehicle set up or Controlled by the Investor;
- 1.1.7 **Affirmative Vote Matters** shall have the meaning ascribed to it in Clause 6.1 of this Agreement;
- 1.1.8 **Agreement** shall mean this shareholders' agreement, including all Schedules to this agreement, as amended, modified and supplemented from time to time, in accordance with the terms hereof;
- 1.1.9 **Applicable Laws** or **Laws** shall mean all applicable laws, statutes, enactments, acts of legislature or parliament, ordinances, judgments, decrees, injunctions, writs, rules, by-laws, regulations, notifications, circulars, guidelines, policies, directions, directives, demands, conventions, orders, interpretations, licenses and/or permits of all Governmental Authorities of all relevant jurisdictions;
- 1.1.10 **Articles** shall mean the articles of association of the Company, as amended from time to time;
- 1.1.11 **Board** shall mean the board of directors of the Company;
- 1.1.12 **Business** shall mean the business of manufacturing, processing or packaging of Food or distributing Food through an online platform to the end customer, and shall include such other business as may be carried out by the Company with the consent of the Investor during the period when the Principal Promoter is still a shareholder, employee

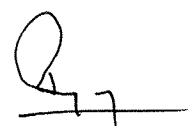
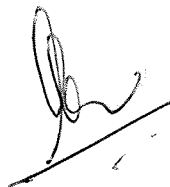


or director of the Company. It is hereby clarified that the term Business shall not include distribution of Food through brick and mortar stores unless the same is carried on by the Company in the future with the consent of the Investor during the period when the Principal Promoter is still a shareholder, employee or director of the Company;

- 1.1.13 **Business Day** shall mean a day on which scheduled commercial banks are open for business in Bengaluru, India;
- 1.1.14 **Business Plan** shall mean the business plan adopted and targets set by the Company for a relevant Financial Year which is jointly prepared by the Principal Promoter and the Investor;
- 1.1.15 **Buyer** shall have the meaning ascribed to it in Clause 8.6.1 of this Agreement;
- 1.1.16 **Chairman** shall have the meaning ascribed to it in Clause 3.4 of this Agreement;
- 1.1.17 **Charter Documents** shall mean, collectively, the Memorandum and Articles;
- 1.1.18 **Competitor of the Company** shall mean a Person who undertakes a business similar to the Business;
- 1.1.19 **Competitor of the Investor** shall mean a Person who undertakes a business similar to the Investor's Business;
- 1.1.20 **Control** shall mean the power to direct the management or policies of any Person, whether through: (i) the ownership of over 50% (fifty percent) of the voting power of such Person; (ii) the power to appoint a majority of the board of directors or similar governing body of such Person; or (iii) contractual arrangements or otherwise;
- 1.1.21 **Deed of Adherence** shall mean the deed of adherence as set out in Schedule III;
- 1.1.22 **Dilution Price** shall have the meaning ascribed to it in Clause 2.5 of this Agreement;
- 1.1.23 **Director(s)** shall mean a director on the Board;
- 1.1.24 **Dispute** shall have the meaning ascribed to it in Clause 12.1 of this Agreement;
- 1.1.25 **Drag Along Right** shall have the meaning ascribed to it in Clause 8.6.1 of this Agreement;
- 1.1.26 **Effective Date** shall have the meaning ascribed to it in Clause 14.1 of this Agreement;
- 1.1.27 **Electronic Delivery** shall have the meaning ascribed to it in Clause 16.13 of this Agreement;
- 1.1.28 **Employment Agreement** shall have the meaning ascribed to it in the SSA;
- 1.1.29 **Encumbrance** shall mean any encumbrance including without limitation: (i) any

mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, claim, bill of sale, debenture, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, (ii) any voting agreement, interest, right to acquire, option, pre-emptive rights, right of first offer, refusal, or transfer restriction or assignment in favour of any Person, (iii) any adverse claim as to title, possession or use, (iv) any beneficial ownership (including usufruct and similar entitlements), public right, common right, any provisional or executorial attachment and any other direct or indirect interest held by any third party, or (v) any agreement to create any of the foregoing;

- 1.1.30 **Equity Shares** shall mean the equity shares of the Company, whether issued or forthcoming, having a par value of INR 10 (Rupees Ten) per equity share;
- 1.1.31 **Event of Default** shall mean and include the following: (i) breach of this Agreement or the Transaction Documents by the Company or the Promoters that is not remedied within 30 (thirty) days of the breach being brought to the notice of the Company or the Promoters; (ii) execution of any decision in contravention of the Investor's decision or without seeking the approval of the Investor in relation to the Affirmative Vote Matters; (iii) an attempt to execute any decision in contravention of the Investor's decision or without seeking the approval of the Investor in relation to the Affirmative Vote Matters that is not remedied within 30 (thirty) days of the breach being brought to the notice of the Company or the Principal Promoter by the Investor; (iv) any governmental action, being taken, or proposed to be taken, debarring the Company from carrying on its Business or rendering it impossible to transact the Business, or if a substantial portion of the assets, property, revenues or business of the Company is confiscated or expropriated or proposed to be confiscated or expropriated, by any Governmental Authority in India or outside; (v) the inability of the Investor to exercise or enjoy any and all rights or privileges in relation to the Investor Equity Shares for reasons attributable to the Company, the Promoters or any of them;
- 1.1.32 **Exit Options** shall have the meaning ascribed to it in Clause 8.2.1 of this Agreement;
- 1.1.33 **Fair Market Value** shall mean the value of each Security, determined by a Valuer pursuant to a fair valuation of the Securities, done in accordance with any internationally accepted pricing methodology for valuation of Securities, on an arm's length basis as prescribed under Applicable Law, based on financial statements and projections as mutually agreed between the Investor and the Principal Promoter;
- 1.1.34 **Financial Statements** shall mean the audited financial statements comprising an audited balance sheet for the relevant Financial Year and the related audited statement of income for the Financial Year then ended, together with the auditor's report thereon and notes thereto prepared in accordance with Indian GAAP and Applicable Laws;
- 1.1.35 **Financial Year** shall mean the period commencing from April 1 of each calendar year and ending on March 31 of the succeeding calendar year, or such other period as may



be determined by the Board to be the financial year of the Company in accordance with Applicable Laws;

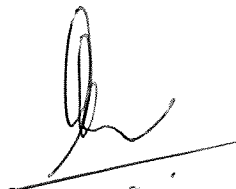
- 1.1.36 **Food** shall have the meaning ascribed to it under the Food Safety and Standards Act, 2006;
- 1.1.37 **Fully Diluted Basis**, with respect to the share capital of the Company, shall mean that the calculation is to be made assuming that all convertible Securities issued by the Company including equity warrants, other convertible instruments, stock options (irrespective of whether or not they have been issued, granted, vested, or exercised), outstanding commitments to issue, at a future date, Securities other than Equity Shares (whether or not by their terms then currently convertible or exercisable and whether or not due to the occurrence of an event or otherwise), have been converted, exercised or exchanged into the maximum number of Equity Shares issuable upon such conversion, exercise and exchange, in accordance with Applicable Law and the terms of issue of such warrants, instruments, stock options, commitments and Securities, as the case may be;
- 1.1.38 **Governmental Authority** shall mean the union, state, local or other governmental authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, or any other governmental authority or statutory authority, department, agency, commission, organisation, board, tribunal, court and/or other entity in India authorised to make Laws;
- 1.1.39 **Indian GAAP** shall mean generally accepted accounting principles applicable in India, consistently applied, (or any generally recognized successor);
- 1.1.40 **Investor's Business** shall mean the business of manufacturing, selling, marketing or distributing, processed packaged foods and beverages and such other business as the Investor may carry on from time to time;
- 1.1.41 **Investor Director** shall have the meaning ascribed to it in Clause 3.1 of this Agreement;
- 1.1.42 **Investor Equity Shares** shall have the meaning ascribed to it under the SSA;
- 1.1.43 **IP** shall mean all work product, patent, patent applications, ideas, improvements, developments, discoveries, proprietary information, trademarks, trade names, get-up, label, packaging, confidential information, service mark, logos, art work, slogans, know-how, processes, operation, methods, trade secrets (including recipes, formulations, patterns, technical and non-technical data, formulae, manufacturing processes, sales and distribution methods of the Business and the Company), source code, internet domain names, application development, designs, drawings, plans, business plans or models, blue prints (whether or not registrable and whether or not design rights subsist in them), utility models, works in which copyright may subsist (including computer software and preparatory and design materials thereof), inventions (whether patentable or not, and whether or not patent protection has been applied for or granted), innovations, confidential information and other intellectual property rights, in

each case whether registered or unregistered and including applications for registration and rights to apply for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world, whether registered or unregistered, in and for all languages, including but not limited to computer and human languages;

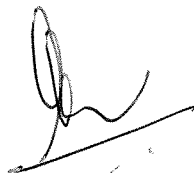
- 1.1.44 **Key Employee** shall have the meaning ascribed to it under the SSA;
- 1.1.45 **Lapsed Date** shall have the meaning ascribed to it in Clause 2.4(f) of this Agreement;
- 1.1.46 **Liquidation Event** shall mean: (i) commencement of any proceedings for the liquidation, dissolution or winding up of the Company either through a members' voluntary winding-up or creditors' winding-up process, a court directed winding-up process or appointment of a provisional/official liquidator for the Company pursuant to a winding up petition or any proceedings under the Insolvency and Bankruptcy Code, 2016; (ii) any merger, amalgamation, consolidation, reconstitution, restructuring, acquisition, sale, transfer or similar transaction by the Shareholders following which the holders of Equity Shares or other Securities of the Company, immediately following the transaction (or series of related transactions) hold less than 50% (fifty percent) of the Equity Shares or Securities or voting power of the Company or the surviving/resultant entity; or (iii) the sale, transfer, assignment or exclusive licensing of all or substantially all of the Business, Securities, undertaking or assets, including IP, of the Company;
- 1.1.47 **Liquidation Preference Amount** shall have the meaning ascribed to it in Clause 2.6 of this Agreement;
- 1.1.48 **Liquidation Proceeds** shall have the meaning ascribed to it in Clause 2.6 of this Agreement;
- 1.1.49 **Losses** shall mean all losses, liabilities, damages, interest, penalties, claims, costs and expenses (including those arising out of or based upon or in relation to any judgment, award, settlement, and reasonable attorneys' fees and other costs related thereto);
- 1.1.50 **Memorandum** shall mean the memorandum of association of the Company, as amended from time to time;
- 1.1.51 **Observer** shall have the meaning ascribed to it in Clause 3.1 of this Agreement;
- 1.1.52 **Offer Price** shall have the meaning ascribed to it in Clause 7.3.2 of this Agreement;
- 1.1.53 **Original Director** shall have the meaning ascribed to it in Clause 3.3 of this Agreement;
- 1.1.54 **Parent** shall mean Orkla ASA and entities Controlled by it, excluding the Investor;
- 1.1.55 **Parties** shall mean the Company, the Promoters, the Existing Shareholder and the Investor collectively and the term **Party** refers to each of them individually;



- 1.1.56 **Person** shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether of limited liability or unlimited liability), proprietorship, Hindu undivided family, trust, union, association, Government Authority or any agency or political subdivision thereof or any other entity that may be treated as a person under Applicable Law;
- 1.1.57 **Pre-emption Notice** shall have the meaning ascribed to it in Clause 2.4(b) of this Agreement;
- 1.1.58 **Principal Promoter** shall mean Mr. Lokesh Krishnan;
- 1.1.59 **Promoter Director(s)** shall have the meaning ascribed to it in Clause 3.1 of this Agreement;
- 1.1.60 **Put Exercise Notice** shall have the meaning ascribed to it in Clause 8.8.2 of this Agreement;
- 1.1.61 **Put Option** shall have the meaning ascribed to it in Clause 8.8 of this Agreement;
- 1.1.62 **Put Option Price** shall have the meaning ascribed to it in Clause 8.8.5 of this Agreement;
- 1.1.63 **Put Settlement Date** shall have the meaning ascribed to it in Clause 8.8.2 of this Agreement;
- 1.1.64 **Put Shares** shall have the meaning ascribed to it in Clause 8.8.2 of this Agreement;
- 1.1.65 **Relative** shall have the meaning ascribed to it under the Act;
- 1.1.66 **ROFO Acceptance Notice** shall have the meaning ascribed to it in Clause 7.3.3 of this Agreement;
- 1.1.67 **ROFO Exercise Notice** shall have the meaning ascribed to it in Clause 7.3.2 of this Agreement;
- 1.1.68 **ROFO Notice Period** shall have the meaning ascribed to it in Clause 7.3.2 of this Agreement;
- 1.1.69 **ROFO Securities** shall have the meaning ascribed to it in Clause 7.3.1 of this Agreement;
- 1.1.70 **ROFR Exercise Period** shall have the meaning ascribed to it in Clause 7.2.4 of this Agreement;
- 1.1.71 **ROFR Notice** shall have the meaning ascribed to it in Clause 7.2.4 of this Agreement;
- 1.1.72 **Sale Shares** shall have the meaning ascribed to it in Clause 7.2.4 of this Agreement;



- 1.1.73 **Sale Shares Notice** shall have the meaning ascribed to it in Clause 7.2.4 of this Agreement;
- 1.1.74 **Securities** shall mean Equity Shares and shall include: (i) all classes of securities that may be issued by the Company, together with rights, differential rights, obligations, title, interest and claim in such securities and shall include all bonus shares issued in respect of such securities and shares issued pursuant to any capital structuring; and (ii) any options, warrants, rights or other instruments that are, directly or indirectly, convertible into, or exercisable or exchangeable for, shares, securities, ownership interests and other rights in the Company;
- 1.1.75 **Selling Shareholder** shall have the meaning ascribed to it in Clause 7.2.4 of this Agreement;
- 1.1.76 **Share Capital** means the issued, subscribed and paid-up share capital of the Company, computed on a Fully Diluted Basis;
- 1.1.77 **Shareholders** shall mean the shareholders, of the Company, from time to time;
- 1.1.78 **SSA** shall mean the share subscription agreement, dated on or about the same date as this Agreement, entered into by and among the Company, the Promoters and the Investor;
- 1.1.79 **Stock Option Plan** shall mean a scheme approved by the Investor under which options would be given to the qualified Directors, officers and/or employees of the Company which gives such Directors, officers and/or employees, the benefit or right to purchase, or to subscribe to, the Equity Shares;
- 1.1.80 **Subscription Offer Notice** shall have the meaning ascribed to it in Clause 2.4(c) of this Agreement;
- 1.1.81 **Tag Along Right** shall have the meaning ascribed to it in Clause 7.5.1 of this Agreement;
- 1.1.82 **Tag Along Shares** shall have the meaning ascribed to it in Clause 7.5.1 of this Agreement;
- 1.1.83 **Third Party Offer Notice** shall have the meaning ascribed to it in Clause 2.4(e) of this Agreement;
- 1.1.84 **Third Party Purchaser** shall have the meaning ascribed to it in Clause 7.2.4 of this Agreement;
- 1.1.85 **Tranche 1 Closing** shall have the meaning ascribed to it under the SSA;
- 1.1.86 **Tranche 1 Closing Date** shall have the meaning ascribed to it under the SSA;
- 1.1.87 **Tranche 2 Investor Shares** shall have the meaning ascribed to it under the SSA;



- 1.1.88 **Transaction Documents** shall mean the following: (i) this Agreement; (ii) the SSA; (iii) the Employment Agreement; and (iv) any other documents arising out of the transactions contemplated herein and/or referred to in this Agreement;
- 1.1.89 **Transfer** (including with correlative meaning, the terms **Transferred by** and **Transferability**) shall mean to Encumber, transfer, sell, assign, pledge, hypothecate, create a security interest in or lien on, place in trust (voting or otherwise), exchange, gift or transfer by operation of Law or in any other manner dispose of, whether voluntarily, or whether the subject of the transfer is subject to any Encumbrance;
- 1.1.90 **Unsubscribed Securities** shall have the meaning ascribed to it in Clause 2.4(d) of this Agreement; and
- 1.1.91 **Valuer** shall mean any one of the big 4 (four) accounting firms, namely PricewaterhouseCoopers, Deloitte Touche Tohmatsu, KPMG and Ernst & Young, or their associates who practice in India or any other independent chartered accounted of repute, as mutually agreed by the Investor and the Principal Promoter.

1.2 Interpretation

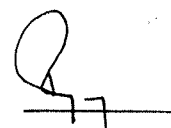
- 1.2.1 Clauses, headings and Schedule headings are for convenience only and do not affect the construction or interpretation of any provision of this Agreement.
- 1.2.2 The schedules to this Agreement form part of this Agreement and will be deemed to be expressly set out in the body of this Agreement.
- 1.2.3 In addition to the above terms, certain terms may be defined in the Recitals or elsewhere in this Agreement and wherever such terms are used in this Agreement, they shall have the meaning so assigned to them.
- 1.2.4 Where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase will have corresponding meanings.
- 1.2.5 All references in this Agreement to statutory provisions shall be statutory provisions for the time being in force and shall be construed as including references to any statutory modifications, consolidation or re-enactment (whether before or after the date of this Agreement) for the time being in force and all statutory rules, regulations and orders made pursuant to a statutory provision.
- 1.2.6 Words denoting singular shall include the plural and vice versa and words denoting any gender shall include all genders unless the context otherwise requires.
- 1.2.7 Any reference to consent or agreement of any of the Parties shall be deemed to be a requirement for prior written consent.
- 1.2.8 References to Recitals, Clauses or Schedules are, unless the context otherwise requires, references to recitals, clauses or schedules to this Agreement.



- 1.2.9 All references to this Agreement or any other Transaction Documents shall be deemed to include any amendments or modifications to this Agreement or the relevant Transaction Documents, as the case may be, from time to time.

2. RIGHTS OF THE SHAREHOLDERS AND RELATED MATTERS

- 2.1 **Rights attached to Equity Shares:** The Equity Shares held by the Promoters, the Existing Shareholder and the Investor shall rank *pari passu* in all respects, except to the extent provided herein.
- 2.2 **Voting Rights:** Each Equity Share held by the Promoters, the Existing Shareholder and the Investor shall carry 1 (one) vote.
- 2.3 **Economic interest:** The Promoters, the Existing Shareholder and the Investor shall be entitled to full and total economic interest and benefit, including dividend, over the Securities held by them, from time to time, irrespective of the quantum of voting control exercisable by them.
- 2.4 **Pre-Emptive Rights**
- (a) Subject always to Clause 6 (*Affirmative Vote Matters*), in the event that the Company is desirous of issuing any additional Securities after the Tranche 1 Closing Date (save for the issuance of Equity Shares pursuant to the Stock Option Plan, a public offering of securities or any stock split or issuance of Tranche 2 Investor Shares to the Investor) (**Additional Securities**), the Investor and the Principal Promoter shall have a pre-emptive right (but not an obligation) to maintain their respective proportionate ownership interest in the Company by subscribing to such Additional Securities on a pro-rata basis of their *inter se* shareholding in the Company, calculated on a Fully Diluted Basis, on the same terms and on the same price offered by the Company;
 - (b) The Company shall send a written notice to the Investor and the Principal Promoter (each an **Additional Capital Offeree**) specifying its intention to issue and allot Additional Securities and the price at which such Additional Securities are to be issued (**Pre-emption Notice**);
 - (c) Each Additional Capital Offeree shall be entitled to send a written notice (**Subscription Offer Notice**) to the Company accepting or rejecting such offer of Additional Securities partially or fully, which may be sent within 15 (fifteen) Business Days of receipt of the Pre-emption Notice. In the event that an Additional Capital Offeree elects to accept the Pre-emption Notice, the Company shall issue the Securities and the Additional Capital Offeree, as the case may be, shall subscribe to them within a further period of 15 (fifteen) Business Days from the date of the Subscription Offer Notice. The Company shall not, and the Promoters shall ensure that the Company shall not issue any Securities to any third party till the expiry of the period available to the Additional Capital Offerees for acceptance of the Pre-emption Notice.
 - (d) In the event that any Additional Capital Offeree does not send a Subscription Offer Notice within the aforementioned time period, it shall be deemed that such Additional

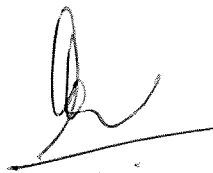


Capital Offeree does not wish to exercise its right in relation to subscribing to the relevant Additional Securities, and the Company in such case shall be entitled to offer the unsubscribed Additional Securities (**Unsubscribed Securities**) to the other Additional Capital Offeree.

- (e) If (i) any of the Additional Capital Offerees do not subscribe to the Unsubscribed Securities within 10 (ten) days of receiving the offer from the Company; or (ii) an Additional Capital Offeree pursuant to sending the Subscription Offer Notice and accepting to subscribe to the Additional Securities fails to subscribe to the Additional Securities within a period of 15 (fifteen) Business Days from the date of the Subscription Offer Notice, the Company shall be entitled to offer the Unsubscribed Securities to a third party (**Third Party Offer Notice**) at a price not less than the price at which it was offered to the Additional Capital Offerees, subject to such third party (i) not being a Competitor of the Company or a Competitor of the Investor; and (ii) executing the Deed of Adherence and promptly providing copies of such Deed of Adherence to each of the other Parties.
- (f) If there is no third party interested in subscribing to the Unsubscribed Securities within 60 (sixty) days of issue of the Third Party Offer Notice, then such right of issuance and allotment of the Unsubscribed Securities shall lapse (**Lapsed Date**) and the Company will not be permitted to issue the Unsubscribed Securities without first giving a new Pre-emption Notice to the Additional Capital Offerees and such new Pre-emption Notice shall be given not earlier than 180 (one hundred and eighty) days from the Lapsed Date, unless an earlier date is agreed between the Company, the Investor and the Principal Promoter. The Parties hereby agree that in the event there is no third party interested in subscribing to the Unsubscribed Securities and the Company is in need of funds, the Company may, subject to Clause 6 (*Affirmative Vote Matters*), during such time but before the new Pre-emption Notice is issued to the Investor and the Principal Promoter, raise funds through debt financing, on such terms as may be approved by the Board.

2.5 **Anti-dilution Rights:** If at any time, the Company proposes to issue to any Person, Securities (save for the issuance of Equity Shares pursuant to the Stock Option Plan), at a price per Security, that is lower than the price paid by the Investor for its Equity Shares (such lower price being referred to as the **Dilution Price**), then without prejudice to any other rights of the Investor, the Investor shall be entitled to anti-dilution protection in relation to the Securities held by it on a broad-based weighted average basis. For the purposes of the foregoing, the Investor shall have the right (but not the obligation) to acquire such additional Securities by: (i) causing the Company to issue and the Promoters shall ensure that the Company issues additional Securities as a bonus issue; or (ii) causing the Company to issue (and the Promoters shall ensure that the Company issues) additional Securities at the lowest price permissible under Applicable Law. In the event that the Company and the Promoters are unable to provide the anti-dilution protection to the Investor in the manner contemplated in sub clauses (i) and (ii) above, the Investor shall have the right to acquire additional securities by causing the Promoters to transfer to the Investor, such part of the Securities held by the Promoters at the lowest price permissible under Applicable Law.

2.6 **Liquidation Preference:** Upon the occurrence of a Liquidation Event, the proceeds from such



event (less any amounts required by Law to be paid or set aside for the payment of creditors of the Company, if applicable) (the **Liquidation Proceeds**) shall be paid or distributed to the Investor and it shall be entitled to receive, in respect of each Security held by it, prior and in preference to any payment or distribution to the Promoters, the Existing Shareholder and any other Person, an amount (the **Liquidation Preference Amount**), which is the higher of: (i) the total amount invested in the Company by the Investor plus any arrears of declared and accrued but unpaid dividends calculated up to the date of such payment, or (ii) the *pro rata* entitlement of the Investor to the Liquidation Proceeds. If the Liquidation Proceeds available for distribution to the Investor are insufficient to pay the Liquidation Preference Amount, the entire available Liquidation Proceeds shall be paid to the Investor. To the extent that there are additional proceeds or assets available for distribution after payment of the Liquidation Preference Amount under either option (i) or (ii) to the Investor, the Investor and the other holders of Securities shall have a pro-rata share in the distribution of such remaining proceeds or assets. Each of the Promoters and the Company agree and undertake that they will honour the liquidation preference of the Investor in distributing the assets or proceeds of a Liquidation Event in any manner legally permissible including re-distribution of assets or proceeds that may be received by the Promoters on occurrence of the Liquidation Event, to the Investor.

2.7 Information Rights

2.7.1 The Investor shall receive such information as it may request in writing, including without limitation, the following information and documents from the Company:

- (i) audited Financial Statements, including cash flow statements of the Company, within 90 (ninety) days of the end of the relevant Financial Year;
- (ii) unaudited financial statements at the end of every calendar quarter that is certified by management of the Company, within 45 (forty five) days from the end of quarter;
- (iii) minutes of Board, committees and Shareholders' meetings within 15 (fifteen) days of the occurrence of such events;
- (iv) management information system (MIS) report at the end of every calendar month that is certified by management of the Company, within 20 (twenty) days from the end of each month; and
- (v) such other operational, financial and other information as may be reasonably requested by the Investor, from time to time.

2.7.2 The Investor Director shall be entitled to share information concerning the Company with the Investor, the Parent or each of their duly authorised representatives, provided such representatives are bound by an obligation to maintain confidentiality of such information.

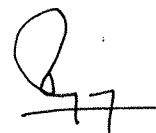
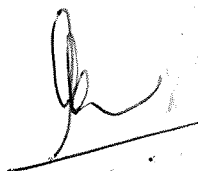
2.8 **Inspection Rights:** The Investor will, by giving a notice of at least 5 (five) Business Days, at its cost, be entitled to carry out inspection of site, accounts, documents, records, premises, equipment, Financial Statements and all other property of the Company during normal working

hours through its authorized representatives or agents and the Company shall provide such information, data, documents, evidence, etc. as may be required for the purpose of and in connection with such inspection. The Investor shall be entitled, at its own cost and expense, to consult with the statutory auditors of the Company regarding the financial affairs of the Company and shall keep the Principal Promoter informed about its discussions with the statutory auditors of the Company.

- 2.9 **More Favoured Rights:** Unless otherwise agreed between the Parties and any new investor in writing, the Promoters agree that, in the event any Person who invests in the Company or acquires Securities of the Company is offered rights, including those relating to voting, dividends, transfer of Securities, liquidation preference or further issues of Securities, that are more favourable to such Person than those offered to the Investor, the Investor shall have the right to require the Promoters and the Company, and the Promoters shall ensure that the Investor is entitled to enjoy any and all such rights offered to such other Person. The Parties agree to execute all such documents as are necessary to offer such additional rights to the Investor provided that the relative rights of the Investor in this Agreement will not be affected by this provision.

2.10 **Fall Away of Rights:**

- 2.10.1 Except to the extent provided under Applicable Law and the rights of the Investor to (i) appoint an Observer under Clause 3.1; and (ii) tag along with the Promoters under Clause 7.5, the Investor shall cease to hold any rights under this Agreement, in the event the Investor's shareholding in the Company along with its Affiliates falls below 2.5% (two point five percent) of the Share Capital.
- 2.10.2 The following rights of the Investor shall fall away in the event the Investor does not subscribe to the Tranche 2 Investor Shares and holds 2.5% (two point five percent) or more of the Share Capital along with its Affiliates:
- (a) Most Favoured Rights (Clause 2.9);
 - (b) Right to veto Affirmative Vote Matters (Clause 6), subject to exceptions set out in Clause 6.2 and in Schedule II;
 - (c) Right to drag the other Shareholders in the event an exit is not provided to the Investor within 1 (one) year from the date of completion of the Exit Period (Clause 8.6).
- 2.10.3 The following rights of the Investor shall fall away in the event the Investor subscribes to the Tranche 2 Investor Shares and holds less than 6.5% (six point five percent) of the Share Capital along with its Affiliates, but more than 2.5% (two point five percent) of the Share Capital along with its Affiliates:
- (a) Most Favoured Rights (Clause 2.9);
 - (b) Right to appoint an Investor Director (Clause 3.1);
 - (c) Right to veto Affirmative Vote Matters (Clause 6), subject to exceptions set out in Clause 6.3 and in Schedule II;
 - (d) Right to seek an Exit (Clauses 8.1 - 8.3) other than by way of sale in further rounds of investment as contemplated in Clause 8.4;



- (e) Right to drag the other Shareholders in the event an exit is not provided to the Investor within 1 (one) year from the date of completion of the Exit Period (Clause 8.6).

2.10.4 Notwithstanding anything contained in the Transaction Documents, the rights of the Investor set out in Clause 2.10.1 to Clause 2.10.3 shall not fall away if the Company has defaulted in repaying the loan provided by the Investor in accordance with the Bridge Loan Agreement (as defined in the SSA).

- 2.11 **Investor not to be Promoters, etc.:** The Company and the Promoters undertake that the Investor shall not be named or deemed as 'promoters' or 'sponsors' of the Company nor shall any declaration or statement be made to this effect, either directly or indirectly, in filings with Governmental Authorities, offer documents or otherwise, without the prior written consent of the Investor in writing. The Company and the Promoters further acknowledge and agree that the Investor will not be required to provide any representations, warranties or covenants with respect to the Company or the Business in any subsequent transactions involving the Company, except for representations and warranties regarding the Investor's ownership of and authorisation to sell, the Securities held by it.
- 2.12 **Stock Option Plan:** The Promoters shall create the Stock Option Plan for the Company which shall be subject to the Investor's approval, pursuant to which stock options would be granted to the qualified Directors, officers and employees of the Company which gives such Directors, officers and employees, the benefit or right to purchase, or to subscribe to, the Securities of the Company. The Company and the Promoters shall incorporate adequate covenants in the Stock Option Plan to ensure that the Key Employees continue to remain in the employment of the Company after a Liquidation Event (other than liquidation, dissolution or winding up of the Company).

3. MANAGEMENT OF THE COMPANY

- 3.1 **Board Composition:** Immediately following the Tranche 1 Closing, the Board shall be composed of 3 (three) Directors. The Promoters shall be entitled to nominate 2 (two) Directors (**Promoter Director(s)**). The Promoter Directors shall be responsible for the conduct of the Business. The Investor shall be entitled to nominate 1 (one) Director (**Investor Director**). The Investor may, at any time, request the removal from office of the Investor Director nominated by it and, if desired, nominate another in his place and the Company and the Promoters shall take such steps as may be necessary to appoint the nominee of the Investor to the Board. The Investor Director shall not be required to hold any qualification shares. The Investor Director shall be entitled to be appointed to committees of the Board, board of any subsidiary of the Company and committees thereof as the Investor may require. The Investor may, in addition to appointing the Investor Director, appoint an observer (**Observer**). Any Observer so appointed shall be given and shall be entitled to access the same documents and information as, and at the same time as, a Director of the Company and shall be entitled to receive notice of and attend and speak at, but not to vote at, meetings of the Board or the committees thereof. This right shall extend to the meetings of the board of the subsidiaries of the Company, if any, and to meetings of such committees of the Board as the Investor specifies.

- 3.2 **Expenses of Investor Director and Observer:** The Company shall reimburse the Investor



Director and the Observer for all expenses reasonably incurred by them and duly supported by bills / invoices / receipts in connection with any meeting of the Board or Shareholders held outside the municipal limits of Bengaluru.

- 3.3 **Alternate Directors:** The Board shall, if requested by the Promoters or the Investor, as the case may be, appoint an alternate Director to a Director nominated by them (**Original Director**) to act as such Original Director's alternate during his or her absence for a period of at least 3 (three) months from India. The appointment of the alternate Director shall be in accordance with Applicable Law and shall be the first matter to be decided at any Board meeting.
- 3.4 **Chairman:** The chairman of the Board will be Mr. Lokesh Krishnan and in his absence, one of the Directors present at the meeting and elected by the other Directors present at the meeting as the chairman (**Chairman**). The Chairman will not have a casting or second vote.
- 3.5 **Meetings of the Board:** The Board of Directors shall meet at such times and in such manner as is prescribed under Applicable Law and at such other times as may be necessary for the conduct of the Business.
- 3.6 **Quorum for Board Meeting:**
- 3.6.1 Subject to Clause 3.6.2 below, the quorum for a Board meeting shall be as prescribed under Applicable Law.
- 3.6.2 The presence of the Investor Director shall be necessary to form the quorum for all meetings of the Board, including a meeting of the Board where the Affirmative Vote Matters shall be taken up for discussion. If the Investor has, in writing or through an email, approved such Affirmative Vote Matters, then the Investor Director may, at his sole discretion, waive his presence at such meeting of the Board, and in such cases, the Directors present at such meeting shall form the quorum. If no quorum is present at any Board meeting, such Board meeting shall be adjourned to the 7th (seventh) day from the original date of the Board meeting, at the same time and venue, or if that day is not a Business Day, to the succeeding Business Day (**Adjourned Board Meeting**). Subject to the provisions of the Act and this Agreement, including Clause 6, the Directors present at the Adjourned Board Meeting shall constitute a valid quorum and shall be entitled to discuss and vote on all matters, except Affirmative Vote Matters.
- 3.6.3 No business shall be transacted at any meeting of the Board, unless there is a valid quorum, both at the time when the meeting is called to order and throughout the meeting.
- 3.7 **Participation in Board Meetings through Audio Visual Means:** Meetings of the Board may be held, and Directors may be present and participate in the Board meetings by video or any other audio visual means in the manner prescribed under Applicable Law. Directors who are not physically present at the meeting or who have not joined the meeting via videoconference, shall be entitled to join via teleconference or any other manner, provided however, such Directors shall not be considered for the purposes of computation of the quorum and such Directors shall not be entitled to cast a vote at such Board meeting. The Observer shall also be entitled to join the Board meetings either physically or via video or teleconference or any other



audio visual means.

- 3.8 **Decisions of the Board:** At any duly convened meeting of the Board, each Director who is present and eligible to vote, may exercise 1 (one) vote and subject to the Affirmative Vote Matters, all matters shall be decided by way of a simple majority.
- 3.9 **Status of Investor Director:** The Promoters and the Company expressly agree that the Investor Director shall: (i) be a non-executive Director; and (ii) not be identified as: (a) an officer in charge or officer in default of the Company; (b) an occupier of any premises used by the Company; or (c) an employer of the employees of the Company.
- 3.10 **Indemnity for Investor Director and Insurance for Directors**
- 3.10.1 To the maximum extent permitted under Applicable Law, the Company shall indemnify, hold harmless and defend the Investor Director from and against, any and all Losses suffered or sustained by him by reason of or arising out of his activities on behalf of the Company or otherwise in furtherance of the interests of the Company.
- 3.10.2 The Company shall not indemnify an Investor Director where the actions or omissions forming the basis of the Losses were performed, or omitted to be performed, fraudulently, or because of the proven wilful misconduct of the Investor Director, or as a result of the proven wilful breach of this Agreement or of the Charter Documents by the Investor Director.
- 3.10.3 The Company shall at all times keep insured with a reputable insurer, its Directors and officers against any liability incurred by them in the lawful performance of their duties on the terms approved by the Board with the Investor's consent.

4. SHAREHOLDERS' MEETINGS

- 4.1 **Notice:** Subject to the provisions of Applicable Law, the Company shall ordinarily call for a general meeting of the Shareholders by serving at least 21 (twenty-one) days' prior written notice to all Shareholders. However, any meeting of the Shareholders may be held with shorter notice with the consent of the Investor. Each notice of a meeting shall contain, *inter alia*, an agenda setting out in detail the businesses proposed to be transacted at such meeting and all relevant documents thereto and all such documents shall be drafted in the English language.
- 4.2 **Quorum:**
- 4.2.1 Subject to Clause 4.2.2 below, the quorum for a general meeting shall be a minimum of 2 (two) Shareholders of the Company personally present (or through their authorised representatives in case of bodies corporate).
- 4.2.2 The presence of the Investor (through its authorised representative) shall be required to form a valid quorum for all meetings of the Shareholders, including a meeting of the Shareholders where the Affirmative Vote Matters shall be taken up for discussion. If the Investor has, in writing or through an email, approved such Affirmative Vote Matters, then the Investor may, at its sole discretion, waive its presence at such meeting

of the Shareholders, and in such cases, any 2 (two) Shareholders personally present (or through their authorised representatives in case of bodies corporate) at such meeting shall form the quorum. If no quorum is present at any Shareholders' meeting, such Shareholders' meeting shall be adjourned to the 7th (seventh) day from the original date of the Shareholders' meeting, at the same time and venue, or if that day is not a Business Day, to the succeeding Business Day (**Adjourned Shareholders' Meeting**). Subject to the provisions of the Act and this Agreement, including Clause 6, the Shareholders present at the Adjourned Shareholders' Meeting shall constitute a valid quorum and shall be entitled to discuss and vote on all matters, except Affirmative Vote Matters.

- 4.3 **Participation in Meetings through Audio Visual Means:** Subject to Applicable Law, meetings of the Shareholders may be held and the Shareholders or their proxies/representatives may be present and participate in the meetings by video or teleconference or any other audio visual means.
- 4.4 **Decisions of Shareholders:** Subject to the Affirmative Vote Matters, all matters at a Shareholders' meeting shall be decided by the majority required under Applicable Laws for such matters in respect of which a resolution is required. Voting on all matters to be considered at a Shareholders' meeting shall be by way of a poll unless otherwise agreed upon in writing by the Investor.

5. EXERCISE OF RIGHTS BY THE PROMOTERS AND EXISTING SHAREHOLDERS

- 5.1 Each of the Promoters and the Existing Shareholder undertake to the Investor that they will exercise all powers and rights available to them in the Company (including their voting rights) in order to give effect to the provisions of this Agreement and to ensure that the Company complies with its obligations under this Agreement. The Parties (other than the Company) expressly agree between themselves that if any provision of the Memorandum or Articles at any time conflicts with the provisions of this Agreement, the provisions of this Agreement shall prevail and each Party shall exercise all powers and rights available to procure the amendment of the Memorandum or Articles to the extent it is necessary to give effect to the provisions of this Agreement.
- 5.2 Each of the Promoters and the Existing Shareholder shall vote or cause to be voted all Securities bearing voting rights or instruments converted to Securities having voting rights, beneficially owned by them at any annual or extraordinary general meeting of Shareholders or in any written consent executed in lieu of such a meeting of Shareholders, and shall take all other actions necessary to give full effect to the provisions of this Agreement.
- 5.3 Without limiting the generality of Clause 5.1 and Clause 5.2, the Promoters and the Existing Shareholder shall:
- 5.3.1 cause the Board to adopt, all the resolutions necessary to effectuate the provisions of this Agreement; and
- 5.3.2 to the extent not in violation of Applicable Law, cause the Board to cause the secretary of the Company, or if there be no secretary, such other officer of the Company as the Board may appoint to fulfil the duties of secretary, not to record any vote or consent



contrary to the terms of this Clause 5.

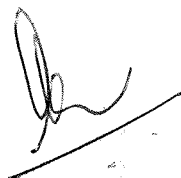
6. AFFIRMATIVE VOTE MATTERS

- 6.1 Notwithstanding anything contained to the contrary elsewhere in this Agreement, on and from the Effective Date, so long as the Investor has subscribed to Tranche 2 Investor Shares and holds 6.5% (six point five percent) or more of the Share Capital along with its Affiliates, all decisions of the Company in respect of the matters listed in Part A of Schedule II (**Affirmative Vote Matters**), whether proposed to be discussed/ brought up/ approved or put to vote at meetings of the Board or any committee thereof, Shareholders' meetings or any adjournments of each of the foregoing or otherwise, shall require the prior written approval of the Investor Director or the Investor, as the case may be, which approval may be obtained by e-mail also.
- 6.2 In the event the Investor does not subscribe to the Tranche 2 Investor Shares and holds 2.5% (two point five percent) or more of the Share Capital along with its Affiliates, the Investors prior written consent as set out in Clause 6.1 above shall be required only in respect of the matters set out in Part B of Schedule II.
- 6.3 In the event the Investor subscribes to the Tranche 2 Investor Shares and holds less than 6.5% (six point five percent) of the Share Capital along with its Affiliates, but more than 2.5% (two point five percent) of the Share Capital along with its Affiliates, the Investors prior written consent as set out in Clause 6.1 above shall be required only in respect of the matters set out in Part C of Schedule II.
- 6.4 No discussion or voting relating to any Affirmative Vote Matters shall be taken up in any meeting of the Board or a committee thereof (or any adjourned meeting), or meeting of the Shareholders (or any adjournment thereof) or form part of any circular resolution, unless the Affirmative Vote Matters have been approved in the manner stated above.
- 6.5 The Parties agree to review and revise (if required) the thresholds in Schedule II every year by executing an amendment agreement in writing. The revised list of Affirmative Vote Matters will be binding on the Company from the date of execution of the amendment agreement. It is hereby clarified that until such an amendment agreement is executed by all the Parties, the previous thresholds agreed between the Parties shall continue to bind the Company. Each of the Promoters and the Existing Shareholder undertake to the Investor that they will exercise all powers and rights available to them in the Company in order to give effect to the terms of the amendment agreement, including exercising their voting rights to amend the relevant provisions of the Articles.

7. TRANSFER OF SHARES

- 7.1 **General:** Any agreement or arrangement to Transfer any Securities other than in the manner set out in this Clause 7 shall be *void ab initio*. The Company hereby agrees and confirms that it shall not, and the Promoters shall ensure that the Company does not, record any such Transfer or agreement or arrangement to Transfer.

- 7.2 **Transfer by Promoters**



- 7.2.1 Each of the Promoters and the Existing Shareholder hereby covenant and agree with the Investor that the Promoters and the Existing Shareholder shall not Transfer or otherwise dispose of or Encumber any of their respective Securities or any interest in any of their respective Securities, till the Investor holds at least 2.5% (two point five percent) of the Share Capital, without the prior written consent of the Investor. The Investor shall be required to communicate its response to a request for approval of Transfer of Securities by a Promoter or the Existing Shareholder within 15 (fifteen) Business Days of receiving the written request from the Promoters or the Existing Shareholder.
- 7.2.2 Subject to obtaining the consent of the Investor and complying with Clauses 7.2.4 (*Right of First Refusal*) and 7.4 (*Deed of Adherence*), the Principal Promoter shall be permitted to Transfer up to 5% (five percent) of his Securities to any Person who is not a Competitor of the Company or a Competitor of the Investor.
- 7.2.3 Subject to obtaining the consent of the Investor and complying with Clauses 7.2.4 (*Right of First Refusal*) and 7.4 (*Deed of Adherence*), the Promoters and the Existing Shareholder shall be permitted to Transfer such number of Securities held by them as may be approved by the Investor to an incoming financial investor, simultaneously with a future financing round, at any time after the expiry of 3 (three) years from the Tranche 1 Closing Date.
- 7.2.4 In the event any Shareholder (other than the Investor) (**Selling Shareholder**) proposes to sell any or all Securities held by him/her (**Sale Shares**) to any Person (**Third Party Purchaser**), the Selling Shareholder shall first offer the Sale Shares to the Investor by way of a written notice (**Sale Shares Notice**) at the Fair Market Value of the Sale Shares. The Sale Shares Notice shall provide: (i) the name of the Third Party Purchaser, (ii) the Fair Market Value of the Sale Shares along with the valuation report prepared by the Valuer, (iii) number of Sale Shares proposed to be sold, and (iv) other material terms and conditions, if any, of the proposed Transfer. The Investor shall have the right to purchase any or all of the Sale Shares at the Fair Market Value on the terms and conditions mentioned in the Sale Shares Notice, by serving upon the Selling Shareholder, a written notice in this regard (**ROFR Notice**), within 15 (fifteen) Business Days of the receipt of the Sale Shares Notice (**ROFR Exercise Period**). In the event the Investor, at its sole discretion, chooses not to purchase any of the Sale Shares, it may inform the Selling Shareholder of the same within the ROFR Exercise Period or inform the Selling Shareholder in writing (**Tag Along Notice**) that it chooses to exercise its Tag Along Right. If the Investor delivers the ROFR Notice within the ROFR Exercise Period, the same shall constitute a binding agreement between the Investor and the Selling Shareholder and the Transfer of the Sale Shares to the Investor shall be (i) as per the Sale Shares Notice; and (ii) completed within 30 (thirty) Business Days from delivering the ROFR Notice. If the Investor: (i) does not exercise its right to purchase the Sale Shares within the ROFR Exercise Period, (ii) intimates the Selling Shareholder that it does not intend to purchase the Sale Shares within the ROFR Exercise Period, (iii) delivers a Tag Along Notice, or (iv) fails to complete the Transfer of the Sale Shares within 30 (thirty) Business Days from delivering the ROFR Notice, then subject to Clause 7.5 (*Tag Along Right*), the Selling Shareholder may transfer the Sale Shares to the Third Party Purchaser identified in the Sale Shares Notice, at a price



not less than the Fair Market Value of the Sale Shares and on the same terms and conditions offered to the Investor; provided such third party purchase is not a Competitor of the Company or a Competitor of the Investor.

7.2.5 The Principal Promoter shall execute an Employment Agreement with the Company. The Principal Promoter shall: (i) remain in the employment of the Company and work in the best interest of the Company during the term of the Employment Agreement; and (ii) not terminate the Employment Agreement without the Investor's consent.

7.2.6 So long as the Investor holds Securities in the Company, if (a) the Principal Promoter resigns; or (b) the Principal Promoter's employment with the Company has been terminated for "cause" (as defined in the Employment Agreement of the Principal Promoter) within a period of 3 (three) years from the Tranche 1 Closing Date; or (c) the Principal Promoter's employment with the Company has been terminated due to (i) gross or wilful negligence in the performance of the Principal Promoter's duties and obligations under the Employment Agreement; or (ii) fraud, embezzlement, theft or commission of a felony, as proved by the procedure laid down in the Employment Agreement, in the course of the Principal Promoter's employment or service or association with the Company, the Securities held by Principal Promoter shall, at the discretion of the Investor, (x) be Transferred to an employee welfare trust at the price paid by the Principal Promoter for the subscription of such Securities; or (y) be bought back by the Company at the price paid by the Principal Promoter for the subscription of such Securities; or (z) be purchased in such other manner as the Board may determine at the price paid by the Principal Promoter for the subscription of such Securities, with the Investor's consent.

7.2.7 In the event that the Principal Promoter's employment is terminated by the Company after a period of 3 (three) years from the Tranche 1 Closing Date due to (a) repeated failure to comply with lawful directions of the Company; (b) breach of the terms of the employment agreement which has not been remedied within the period prescribed in the Employment Agreement; or (c) engaging in behaviour that is materially detrimental to the interests of the Company, the Securities held by Principal Promoter shall, at the discretion of the Investor, (i) be Transferred to an employee welfare trust at a price that is equal to 35% (thirty five percent) of the Fair Market Value; or (ii) be bought back by the Company at a price that is equal to 35% (thirty five percent) of the Fair Market Value; or (iii) be purchased in such other manner as the Board may determine at a price that is equal to 35% (thirty five percent) of the Fair Market Value.

7.2.8 Notwithstanding anything contained in Clauses 7.2.6 and 7.2.7, in the event that the Employment Agreement is terminated due to the reasons set out in Clauses 7.2.6 or 7.2.7, the Principal Promoter shall have the right to make a written offer to the Investor to purchase (either directly or through his Affiliate or nominee) all the Securities held by the Investor (**Purchase Notice**). The Purchase Notice shall specify the price for purchase of the Securities held by the Investor and any other relevant terms and conditions for purchasing such Securities. The Investor, may at its sole discretion, notify the Principal Promoter in writing of its intention to accept the offer set out in the Purchase Notice, within ten (10) Business Days from the receipt of the Purchase Notice. In the event that the Investor decides to Transfer its Securities to the Principal Promoter,

such Transfer shall occur within 30 (thirty) days from the issuance of such acceptance notice by the Investor or such other period as may be agreed between the Principal Promoter and the Investor in writing. In case the Investor does not exercise its right under this Clause, the Securities held by the Principal Promoter shall be treated in the manner set out in Clause 7.2.6 and Clause 7.2.7.

7.2.9 If the termination of the employment of the Principal Promoter is at the behest of the Investor and is not for "cause" (as defined in the Employment Agreement of the relevant Promoter), the Principal Promoter shall be entitled to retain his Securities in the Company unless the Parties agree otherwise, and the provisions of Clause 7.2.6 and Clause 7.2.7 shall not be applicable in such scenario.

7.2.10 The Fair Market Value determined in accordance with the terms of this Agreement shall be valid for a period of 6 (six) months, provided that there is no material change in the Business, financial conditions or prospects of the Company during this period.

7.3 Transfer by Investor

7.3.1 If the Investor proposes to sell any or all of its Securities (the **ROFO Securities**), it shall first inform the Principal Promoter of the same by serving a notice in writing (**ROFO Notice**).

7.3.2 Upon receipt of the ROFO Notice, the Principal Promoter shall communicate his intention to purchase all the ROFO Securities by serving a notice on the Investor (**ROFO Exercise Notice**), within 15 (fifteen) days of receipt of the ROFO Notice (**ROFO Notice Period**). The ROFO Exercise Notice shall specify the price for purchase of the ROFO Securities (**Offer Price**) and any other relevant terms and conditions for purchasing such ROFO Securities.

7.3.3 The Investor shall have a period of 45 (forty five) Business Days from date of receipt of the ROFO Exercise Notice to either accept or decline to sell the ROFO Securities to the Principal Promoter. If the Investor accepts to sell the ROFO Securities to the Principal Promoter, it shall inform the Principal Promoter of the same by issuing a written notice to the Principal Promoter within the aforesaid time period (**ROFO Acceptance Notice**).

7.3.4 Completion of the sale and purchase of the ROFO Securities and payment for the same shall take place within 30 (thirty) days from the date of receipt of the ROFO Acceptance Notice, or such other date as may be agreed between the Parties.

7.3.5 If the Principal Promoter fails to issue the ROFO Exercise Notice within the ROFO Notice Period or if all the ROFO Securities are not purchased by the Principal Promoter in terms of this Clause 7.3 or if the Investor does not issue the ROFO Acceptance Notice within the time period specified above, then the Investor shall be free to Transfer the ROFO Securities, with or without the rights attached to such Securities in terms of this Agreement, to any Person, at a price that is higher than the Offer Price and on such terms and conditions as it may deem fit.



7.3.6 If any Transfer by the Investor pursuant to Clause 7.3.5 above is along with the assignment of rights attached to the Securities so transferred, then the purchaser of such Securities shall be entitled to all the rights of the Investor in terms of this Agreement in respect of such Securities, subject to the purchaser executing a Deed of Adherence in accordance with Clause 7.4. The Promoters and the Company hereby agree, confirm and undertake that they shall do all such acts, deeds and things as may be required to give effect to such Transfer by the Investor and provide all support, information and documents for the undertaking of any due diligence exercise by the prospective purchaser. All representations and warranties relating to the Company will be provided by the Company.

7.4 Execution of Deed of Adherence:

7.4.1 If any Shareholder Transfers (subject to the terms hereof) any Securities to a third party or an Affiliate, then such third party purchaser or Affiliate, as the case may be, shall execute the Deed of Adherence.

7.4.2 Notwithstanding any other provisions of this Agreement, the Investor may at any time and from time to time during the subsistence of this Agreement acquire any new Securities offered to it by the Company or the Promoters under the provisions of this Agreement through an Affiliate or Transfer any existing Securities held by it to one or more of its Affiliates, subject to such Affiliate executing the Deed of Adherence. Upon executing such a Deed of Adherence, such Affiliate, including the alternate investment fund or other investment vehicle proposed to be set up by the Investor, shall be entitled to exercise or enjoy any and all rights or privileges in relation to the Investor Equity Shares.

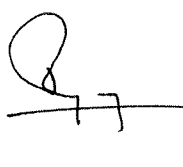
7.4.3 Notwithstanding anything stated elsewhere in the Transaction Documents, it is hereby agreed and clarified between the Parties that, any assignment of rights between (a) the Investor and its Affiliate; or (b) the Investor and a third party purchaser, shall not result in an enhancement or duplication of contractual rights in any manner whatsoever over what was otherwise available to the Affiliate or such third party prior to such assignment.

7.5 Tag Along Right of Investor

7.5.1 If the Investor does not exercise its right of first refusal as provided in Clause 7.2.4 above, then it may choose to tag along with the Selling Shareholder and sell such portion of its Securities as it chooses at its sole discretion (**Tag Along Shares**) in the sale to the Third Party Purchaser, at the same price and on the same terms, as indicated in the Sale Shares Notice (**Tag Along Right**).

7.5.2 In the event the Investor elects to exercise its Tag Along Right, the Selling Shareholder shall cause the Third Party Purchaser to purchase from the Investor, the Tag Along Shares at the same price per Security at which the Sale Shares are being purchased from the Selling Shareholder. The sale to the Third Party Purchaser shall not be consummated unless the Tag Along Shares are sold along with the Securities of the Selling Shareholder.

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7.5.3 If for any reason, the Third Party Purchaser acquiring the Sale Shares hereunder is unable to or refuses to acquire the Tag Along Shares, then, at the sole option of the Investor, the Selling Shareholder shall not be entitled to Transfer any of the Sale Shares to the Third Party Purchaser.

8. EXIT RIGHTS

8.1 **Exit Period:** The Company and the Principal Promoter shall provide the Investor with an exit with respect to the Securities held by it at any time within a period of 5 (five) years from the Tranche 1 Closing Date (the **Exit Period**). The exit shall be provided through any of the options provided in this Clause 8. The Investor shall also have the rights provided in this Clause (except Clause 8.4) on the occurrence of an Event of Default, in accordance with the written notice to be provided by the Investor.

8.2 Exit Options

8.2.1 The Company and the Principal Promoter shall be obligated to provide an exit to the Investor through any of the following options (the **Exit Options**):

8.2.1.1 an initial public offering of the Securities of the Company; or

8.2.1.2 a sale of all or the majority of the Securities held by the Investor to a third party;
or

8.2.1.3 a sale of all the Securities held by the Investor to the Promoters. The Parties hereby agree that this Exit Option shall be a right and not an obligation on the Promoters.

8.3 The Company and the Principal Promoter shall undertake and execute an Exit Option: (i) only after such Exit Option has been approved by the Investor; and (ii) on such terms and in such manner as may be determined by the Investor.

8.4 **Sale in Further Rounds of Investment:** In addition to the above, the Investor may, at its sole discretion and pursuant to delivering a written notice to the Company and Principal Promoter, Transfer all the Securities held by it to the potential investors involved in a subsequent round of investment in the Company, at a price mutually agreeable to the Investor and the potential investors. In the event that the Investor exercises its right under this clause, the size of the subsequent round of investment shall, if required, be adequately increased to accommodate the purchase of the Securities proposed to be Transferred by the Investor.

8.5 **Buyback:** In the event an exit is not provided to the Investor within 1 (one) year from the date of completion of the Exit Period, the Investor shall have the right, through a written notice, to require the Company, subject to Applicable Law, to buy back all or any of the Securities held by the Investor at either: (i) the Fair Market Value of the Securities held by the Investor; or (ii) the total amount invested in the Company by the Investor plus any arrears of declared and accrued but unpaid dividends calculated up to the date of such payment, whichever is higher. The other Shareholders (including the Promoters) hereby expressly agree that, they shall not



participate in such buy back of the Securities by the Company until complete exit of the Investor and shall co-operate with the Company and the Investor in this respect, including voting in favour of the resolution proposing such buy-back of the Investor Equity Shares.

8.6 Drag Along Right:

8.6.1 In the event an exit is not provided to the Investor within 1 (one) year from the date of completion of the Exit Period, the Investor shall have the right, pursuant to a written notice to the Company and Principal Promoter, to sell all its Securities to a *bona fide* third party (or to more than one such third party) of its choice (including a Competitor of the Company) (the **Buyer**), and on such terms and conditions it deems fit in its sole discretion. If the Buyer desires to acquire additional Securities than those held by the Investor, then the Investor shall have a right to require the Promoters, the Existing Shareholder and all other Shareholders to Transfer such portion of their Securities to the Buyer as may be required to constitute 51% (fifty one percent) of the Share Capital, in the manner and proportion as may be required by the Investor, and at the same price as being offered to the Investor (**Drag Along Right**). The Investor's decision in this respect shall be final. The Shareholders (including the Promoters) agree and undertake that they shall not challenge the adequacy or sufficiency of the price received by them from such Buyer.

8.6.2 In the event that the Buyer requires one or more Key Employees to be in the employment of the Company, the Company shall, and the Principal Promoter shall, use best efforts to ensure that such Key Employee to remain in employment with the Company.

8.6.3 In the event of exercise of the Drag Along Right and upon so required by the Buyer, the Promoters and the other Shareholders shall provide all representations and warranties as required by the Buyer. The Investor shall provide warranties only if required by the Buyer(s) and only for and with respect to its title to the Investor Equity Shares being free from Encumbrances and corporate authority to execute the necessary documents.

8.7 Obligation to provide an Exit: The Principal Promoter shall, and shall cause the Company and other Shareholders to, take all necessary decisions and actions to provide an exit to the Investor in accordance with this Clause 8, to the satisfaction of the Investor, including but not limited to appointing investment bankers, extending complete support and cooperation to the prospective buyer(s) including for conducting due diligences and voting in meetings of the Board and Shareholders to give effect to the rights of the Investor under this Clause 8.

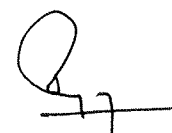
8.8 Put Option:

8.8.1 In the event an exit is not provided to the Investor in accordance with Clauses 8.2 to 8.6, whether on the occurrence of an Event of Default or otherwise as provided in this Agreement, or in the event that the Investor's right to drag the other Shareholders falls away pursuant to Clause 2.10, the Investor shall have the option to sell all its Securities in accordance with the provisions of this Clause 8.8 (**Put Option**).

- 8.8.2 If the Investor wishes to exercise its Put Option, the Investor shall issue a written notice to the Promoters (**Put Exercise Notice**) specifying (i) the number of Securities the Investor wishes to Transfer to the Promoters (**Put Shares**); (ii) the Put Option Price; and (iii) the preferred settlement date (**Put Settlement Date**) (which shall be no later than 20 (twenty) Business Days from the date of the Put Exercise Notice).
- 8.8.3 Upon exercise of the Put Option by the Investor, the Promoters shall be under an obligation to purchase, either by themselves, or through their Affiliates or third parties acceptable to the Investor, (each an **Eligible Purchaser**) the Put Shares set out in the Put Exercise Notice at the Put Option Price.
- 8.8.4 On the Put Settlement Date, the following events shall occur simultaneously: (i) the Eligible Purchaser(s) shall pay to the Investor, the Put Option Price; and (ii) the Investor shall Transfer to the Eligible Purchaser(s), the Put Shares and all the rights and obligations attached thereto, in accordance with Applicable Law.
- 8.8.5 For the purpose of this Clause 8.8, **Put Option Price** shall mean: (i) the Fair Market Value multiplied by the number of Put Shares; or (ii) the total amount invested in the Company by the Investor plus any arrears of declared and accrued but unpaid dividends calculated up to the date of such payment, whichever is higher.

9. NON-COMPETE AND NON-SOLICIT OBLIGATIONS

- 9.1 So long as the Investor holds at least 2.5% (two point five percent) of the Share Capital, the Promoters (in any capacity of whatsoever nature) shall not, directly or indirectly, either on their own behalf or by or through any Person engage in a business, or hold interests in any business, that competes with the whole or any part of the Business. This restriction shall, unless otherwise approved by the Investor in writing, be applicable as long as the relevant Promoter holds Securities in the Company, is a Director or employee of the Company (as the case may be) and for a period of 3 (three) years after such Promoter ceases to be a Director or employee of the Company or holds Securities in the Company, whichever is later.
- 9.2 The Promoters covenant and agree that as long as the Investor holds at least 2.5% (two point five percent) of the Share Capital, they shall not, directly or indirectly:
- 9.2.1 attempt in any manner to solicit from any client or customer, except on behalf of the Company, business of the kind carried on by the Company or to persuade any Person, which is a client or customer of the Company to cease doing business or to reduce the amount of business which any such client or customer has customarily done or might propose doing with the Company, whether or not the relationship between the Company and such client or customer was originally established in whole or in part through their efforts; or
- 9.2.2 employ or attempt to employ or assist anyone else to employ any person who is in the employment of the Company at the time of the alleged prohibited conduct or was in the employment of the Company at any time during the preceding 12 (twelve) months.
- 9.3 The Parties acknowledge and agree that the above restrictions are considered reasonable for the



legitimate protection of the business and goodwill of the Company and for the protection of the investment made by the Investor in the Company and that these covenants constitute a significant consideration for the Investor's decision to execute the Transaction Documents. In the event that such restriction shall be found to be void, but would be valid if some part thereof was deleted or the scope, period or area of application were reduced, the above restriction shall apply with the deletion of such words or such reduction of scope, period or area of application as may be required to make the restrictions contained in this Clause valid and effective. Notwithstanding the limitation of this provision by any Law for the time being in force, the Parties undertake to at all times observe and be bound by the spirit of this Clause. Provided however, that on the revocation, removal or diminution of the Law or provisions, as the case may be, by virtue of which the restrictions contained in this Clause were limited as provided hereinabove, the original restrictions would stand renewed and be effective to their original extent, as if they had not been limited by the Law or provisions revoked.

10. CONFIDENTIALITY

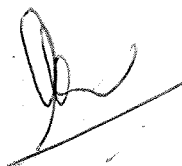
- 10.1 Each Party shall treat the terms of the Transaction Documents and any data and information, whether written, oral or visual, disclosed to it or which comes into its possession or knowledge in connection with this Agreement as confidential and shall not disclose the same to any others, except as may be required by Law or as may be required to be disclosed on a "need-to-know" basis for implementing the Transaction Documents.
- 10.2 Each Party may disclose the terms hereof and other information disclosed to it pursuant to this Agreement to: (i) its professional advisors and auditors subject to such persons agreeing to keep such information confidential; (ii) Governmental Authorities, to the extent such disclosure is required under Applicable Law; and (iii) to the extent required for the purpose of resolving any disputes in relation to this Agreement.
- 10.3 A Party shall not disclose or provide access to the proprietary information of the Company, directly or indirectly, to any Person, who/which, directly competes with the Business, provided however that the Investor shall be entitled to share any non-proprietary information of the Company with any Person in order to exercise its exit rights under this Agreement or in connection with any future funding of the Company.

11. GOVERNING LAW AND JURISDICTION

- 11.1 This Agreement and the relationship among the Parties shall be governed by, and interpreted in accordance with, the Laws of India. Subject to Clause 12 below, the courts in Bengaluru, India, shall have exclusive jurisdiction over all matters arising pursuant to this Agreement.

12. DISPUTE RESOLUTION

- 12.1 In the event a dispute, difference, claim or controversy arises in connection with this Agreement (each, a **Dispute**), the disputing Parties shall, in the first instance, attempt to resolve such Dispute amicably. If the Dispute remains unresolved within 15 (fifteen) days from the date of commencement of discussions, the disputing Parties will submit the Dispute for settlement by arbitration in the manner provided below.



12.2 Any Dispute which is not settled to the satisfaction of the disputing Parties as above shall be finally resolved by arbitration in accordance with the Arbitration and Conciliation Act, 1996, by an arbitral tribunal consisting of 3 (three) arbitrators. Each disputing Party shall appoint 1 (one) arbitrator and the 2 (two) arbitrators, so appointed, shall appoint the third arbitrator.

12.3 The seat and venue of arbitration shall be Bengaluru, India.

12.4 Nothing set out hereinabove shall preclude a Party from seeking interim or permanent equitable or injunctive relief, or both, from the competent courts, having jurisdiction to grant relief on any disputes or differences arising from this Agreement. The pursuit of equitable or injunctive relief shall not be a waiver by the Parties to pursue any remedy (including for monetary damages) through the arbitration described in this Clause 12.

13. COSTS AND EXPENSES

13.1 Each Party shall bear its own costs in connection with the transactions contemplated herein. The stamp duty and any other charges payable in connection with the Transaction Documents, including the stamp duty payable on the share certificates, shall be borne by the Company. In the event that the Tranche 1 Closing (as defined in the SSA) does not occur, the costs and expenses shall be borne by the Parties in the manner set out in the SSA.

14. EFFECTIVE DATE AND TERMINATION

14.1 Clauses 1 (*Definition and Interpretation*), 10 (*Confidentiality*), 11 (*Governing Law*), 12 (*Dispute Resolution*), 13 (*Costs and Expenses*), 14 (*Effective Date and Termination*), 15 (*Notices*) and 16 (*Miscellaneous*) shall be effective, valid and binding with effect from the Execution Date. The other terms of this Agreement shall come into effect upon the completion of the Tranche 1 Closing on the Tranche 1 Closing Date (**Effective Date**) and shall continue to be valid unless terminated in accordance with the terms of this Agreement or superseded by another agreement duly executed by the Parties.

14.2 This Agreement may, subject always to Clause 14.4 hereunder, be terminated:

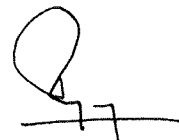
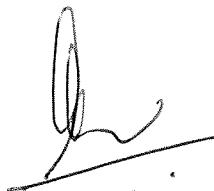
14.2.1 upon the mutual written agreement of the Parties;

14.2.2 upon termination of the SSA.

14.3 This Agreement shall stand terminated vis-à-vis a Party when such Party ceases to hold any Security in the Company provided that such Security is transferred in accordance with the terms of this Agreement.

14.4 Termination of this Agreement in any manner whatsoever shall be without prejudice to the rights of any Party in connection with acts or matters or things done, committed, omitted, or suffered by any Party prior to the date of such termination. The termination of this Agreement in any of the circumstances aforesaid shall not, in any way, affect or prejudice any right accrued to any Party against the other Parties, prior to such termination.

15. NOTICES



- 15.1 Any notice, request, demand, waiver, consent, approval or other communication that is required or permitted hereunder shall be served to all Parties, in writing and shall be deemed given: (i) on the date established by the sender as having been delivered personally; (ii) on the date delivered by a private courier as established by the sender by evidence obtained from the courier; (iii) on the date sent by electronic transmission, with confirmation of transmission, if sent during normal business hours of the recipient, if not, then on the next Business Day; or (iv) on the 3rd (third) day after the date mailed, by certified or registered mail, return receipt requested or postage prepaid. Such communications, to be valid, must be addressed as follows:

If to the **Company**:

Attention: Mr. Lokesh Krishnan

Address: A602, Mantri Sarovar Apartments, HSR Layout, Sector 4, Agara Lake, Bengaluru 560102

Email: lokesh@potful.in

If to the **Promoters**: As provided in **Schedule I**.

If to the Existing Shareholder: House No- D 808, Al-Assalah Tower, Ghubra North, Beyond Gmc Show Room, Muscat, Oman

Email: akumar@cced.com.om

If to the **Investor**:

Attention: Mr. Sanjay Sharma

Address: No.1, 2nd and 3rd Floor, 100 Feet Inner Ring Road, Ejipura, Bengaluru – 560 047

Email: sanjay.sharma@mtrfoods.com

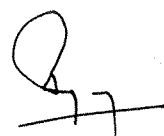
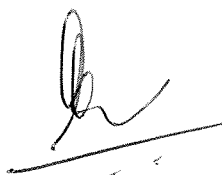
- 15.2 A Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other Parties not less than 15 (fifteen) days' prior written notice of such change in the manner provided for hereinabove.

16. MISCELLANEOUS

- 16.1 **Survival:** The provisions, specifically Clauses 1 (*Definition and Interpretation*), 10 (*Confidentiality*), 11 (*Governing Law & Jurisdiction*) and 12 (*Dispute Resolution*) and rights and obligations of the Parties under this Agreement, which either expressly or by their nature survive the termination of this Agreement, shall not be extinguished by termination of this Agreement.
- 16.2 **Publicity:** Any public release or public announcement (including any press release, conference, advertisement, announcement, professional or trade publication, mass marketing materials or otherwise to the general public) containing references to the Parties, shall require the prior written consent of the Parties.
- 16.3 **Conflict with Articles:** In the event of any conflict between the terms of this Agreement and those of the Articles, as amongst the Parties hereto, and the Company, to the extent permitted

by Law, the terms of this Agreement shall prevail over the Articles and the Parties shall take all such steps as are within their powers, to: (i) ensure that the terms and conditions of this Agreement are adhered to, and to the extent possible under the relevant Laws; and (ii) effect such amendments or alterations to the Articles of the Company to carry out the conditions of this Agreement in letter and in spirit.

- 16.4 **Assignment:** Except as provided in this Agreement, no Party shall be entitled to assign or otherwise deal with this Agreement or any right under this Agreement without the prior written consent of each of the other Parties, provided that the Investor shall be entitled to assign any or all of rights and obligations under this Agreement to its Affiliates or to the transferee of the Securities held by the Investor in accordance with this Agreement, without the prior consent of the other Parties. Any assignment or delegation in derogation of this Clause shall be null and void. Subject to the limitations on transferability contained herein, each and all of the covenants, terms, provisions and agreements herein contained in shall be binding upon and inure to the benefit of the successors and permitted assigns of the respective Parties hereto.
- 16.5 **Relationship among Parties:** It is clearly understood and accepted by the Parties that this Agreement and the contract among the Parties evidenced by it are on "principal to principal" basis and nothing contained herein shall be construed or understood as constituting any Party hereto as the agent or representative of the other Parties under any circumstances.
- 16.6 **Severability:** If any provision of this Agreement is held to be invalid, illegal or unenforceable, such provision will be struck from this Agreement and the remaining provisions of this Agreement shall remain in full force and effect. Further, the Parties shall endeavour to replace such provision with a valid, legally enforceable provision that reflects the original intent of the Parties.
- 16.7 **Waiver:** Failure of a Party to require performance of any provision of this Agreement shall not affect such Party's right to full performance thereof at any time thereafter, and any waiver by a Party of a breach of any provision hereof shall not constitute a waiver of a similar breach in the future or of any other breach. No waiver shall be effective, unless in writing and duly executed by the concerned Party.
- 16.8 **Amendment/Variation:** No amendment or variation of this Agreement shall be binding on any Party unless such variation is in writing and duly signed by all the Parties.
- 16.9 **Cumulative Rights:** All remedies of a Party under this Agreement, whether provided herein or conferred by statute, civil law, common law, custom, trade, or usage, are cumulative and not alternative and may be enforced successively or concurrently.
- 16.10 **Entire Agreement:** This Agreement together with the Schedules hereto and the Transaction Documents, constitute and contain the entire agreement and understanding among the Parties with respect to the subject matter hereof and supersedes all previous communications, negotiations, commitments, agreements, either oral or written, among the Parties. With effect from the Tranche 1 Closing Date, any other prior shareholders' agreement or arrangement between the Shareholders will stand terminated.
- 16.11 **Responsibility:** Where any obligation or undertaking in this Agreement is expressed to be



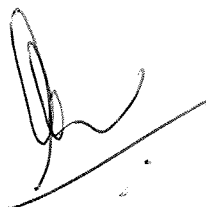
made, undertaken or given by two or more Parties, they shall be severally responsible in respect of it, unless expressly provided to the contrary.

- 16.12 **Specific Performance:** The Parties agree that damages may not be an adequate remedy and the Parties shall be entitled to an injunction, restraining order, right for recovery, specific performance or such other equitable relief to restrain the other Party from committing any violation or enforce the performance of the covenants, warranties or obligations contained in the Transaction Documents.
- 16.13 **Execution:** This Agreement may be executed in counterparts, each of which when so executed and delivered shall be an original, but all of which shall be considered one and the same instrument. Any such counterpart, to the extent delivered by means of a facsimile machine or by a common graphics or document exchange format capable of delivery *vide* electronic mail (any such delivery, an **Electronic Delivery**) shall be treated in all manners and respects as an original executed counterpart and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No Party hereto shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each such party forever waives any such defense, except to the extent that such defense relates to lack of authenticity. The persons signing this Agreement on behalf of each Party to it represent and covenant that they have the authority to sign and execute this document on behalf of the Party for whom they are signing.

IN WITNESS WHEREOF, the Parties have entered into this Agreement on the day and year first above written.

THE EXECUTION PAGE(S) OF THE SHARE SHAREHOLDERS' AGREEMENT FOLLOWS IMMEDIATELY AFTER THIS PAGE. THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

PS



This is the first execution page of the Shareholders' Agreement executed among the Company, the Promoters, the Existing Shareholder and the Investor.

Signed and delivered for and on behalf of **Pot Ful India Private Limited**,
By its duly appointed authorised representative/signatory,



Name : Mr. Lokesh Krishnan
Title : **Director**

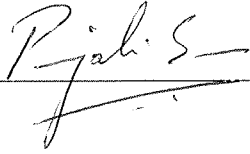
This is the second execution page of the Shareholders' Agreement executed among the Company, the Promoters, the Existing Shareholder and the Investor.

Signed and delivered by **Mr. Lokesh Krishnan**



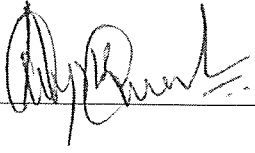
This is the third execution page of the Shareholders' Agreement executed among the Company, the Promoters, the Existing Shareholder and the Investor.

Signed and delivered by **Ms. Piyali Sen**



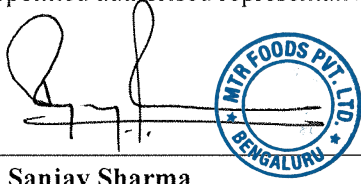
This is the fourth execution page of the Shareholders' Agreement-executed among the Company, the Promoters, the Existing Shareholder and the Investor.

Signed and delivered by **Mr. Anup Kumar**



This is the fifth execution page of the Shareholders' Agreement executed among the Company, the Promoters, the Existing Shareholder and the Investor.

Signed and delivered for and on behalf of **MTR Foods Private Limited**,
By its duly appointed authorised representative/signatory,

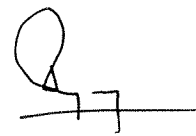
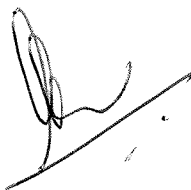
A handwritten signature in black ink is written over a horizontal line. To the right of the signature is a circular blue stamp. The stamp contains the text "MTR FOODS PVT. LTD." around the top inner edge and "BENGALURU" around the bottom inner edge, with two small stars on either side of the company name.

Name : **Mr. Sanjay Sharma**

Title : **CEO, MTR Foods Private Limited.**

SCHEDULE I
PROMOTERS

S.No.	Name of Promoter	Address	Email	PAN
1.	Lokesh Krishnan	A602, Mantri Sarovar Apartments, HSR Layout, Sector 4, Agara Lake, Bengaluru 560102	lokesh@potful.in	AJHPK7768B
2.	Piyali Sen	A602, Mantri Sarovar Apartments, HSR Layout, Sector 4, Agara Lake, Bengaluru 560102	piyali101@gmail.com	AMCPS3840E



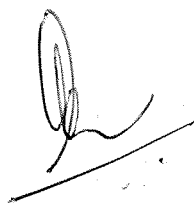
SCHEDULE II
AFFIRMATIVE VOTE MATTERS

Part A

Matters requiring the approval of the Investor if it subscribes to Tranche 2 Investor Shares and maintains a shareholding of at least 6.5% (six point five percent) of the Share Capital

1. Any amendment, modification or restatement of the Charter Documents.
2. Any change in the: (i) authorized share capital of the Company; and (ii) issued, subscribed or paid up share capital of the Company including changes in the share capital due to reclassification, buyback, preferential issue or the creation of any options or other rights to subscribe for or to convert into Securities or the variation of, or the exercise of any discretion in relation to, the terms of issue of Securities.
3. Any alteration of the Financial Year except insofar as is necessary to comply with Applicable Law.
4. Creation, issue and allotment of any equity securities, debt securities and other Securities/instruments of whatsoever nature (including bonus shares, sweat equity shares and employee stock options) of the Company, except issuance of employee stock options approved under the Stock Option Plan as specified herein.
5. The entry by the Company into any new, or the agreement by the Company to, any amendment or variation to, or waiver of any term of, any existing, agreement, commitment or understanding with any Shareholder or a potential shareholder or any Person connected with such a Person.
6. Approving the Transfer of any Securities of the Company or determination of price for the transfer of Securities.
7. Creation or adoption of the existing Stock Option Plan or any new or additional employee stock option plan, or any change, modification or amendment to the foregoing.
8. Appointment or removal of any Director of the Company, including from the committees of the Board, except the appointment of the Promoter Directors, or changing the size of the Board.
9. Any appointment or change in the auditors or the accountant of the Company.
10. Any change in the accounting policies of the Company (save and except as required by Law).
11. The entry by the Company into any collective bargaining or similar agreement with any trade union or employee body or the variation in any material respect of the terms of such an agreement.
12. Entering into any transaction that would result in a change in Control of the Company.
13. Entering into any merger, amalgamation, compromise, reconstruction or any other scheme of arrangement involving the Company.
14. Any alteration (including cessation) to the general nature of the Business.

15. Sale/transfer, spin off or hiving off any business, undertaking or business division of the Company whether by a single transaction or a series of transactions.
16. Declaration or payment of any dividend or distribution of profits or commissions to the Shareholders, employees or Directors or the reduction of any other reserves in the Company.
17. The entry into capital commitments (which shall include hire purchase, leasing, factoring and invoice discounting commitments) exceeding INR 10,00,000 (Rupees Ten Lakhs Only) in the case of any individual item or exceeding an aggregate of INR 1,00,00,000 (Rupees One Crore Only) in any one Financial Year.
18. The entry into any contract or arrangement which is unusual, onerous or otherwise outside the normal course of Business: (a) exceeding INR 10,00,000 (Rupees Ten Lakhs Only) per annum; or (b) resulting in any long-term commitment or arrangement which is material to the Business.
19. The acquisition (whether by purchase, subscription or otherwise) by the Company of any share capital or loan capital of, or the entry into by the Company of any partnership or joint venture arrangement or merger with, a body corporate or creation of any new subsidiaries.
20. The giving of any guarantee other than in relation to the supply of goods or services in the normal course of trading.
21. The entry into any lease, contract, memorandum, or other agreement for the licence, lease, sale or purchase of land or real property requiring expenditure by the Company in excess of INR 5,00,000 (Rupees Five Lakhs Only) or of INR 50,00,000 (Rupees Fifty Lakhs Only) in any one Financial Year.
22. The establishment of any pension, profit sharing, bonus or incentive scheme for any employee or the variation of the terms of such a scheme.
23. The initiation and subsequent conduct of any litigation, arbitration or mediation proceedings involving the Company including suspension, withdrawal, settlement or compromising of any such litigation, arbitration or mediation proceedings, except for (i) debt collection conducted in the normal course of trading; or (ii) proceedings where the amount claimed does not exceed INR 2,50,000.
24. The entry into, termination or renewal of varied terms (save as to premium) of directors and officers insurance for the Directors and officers of the Company.
25. Listing the Securities of the Company on any stock exchange, including determining the size and timing of the issue, price of the Securities, Promoters' offering, processes and appointment of the investment bankers, legal advisors and any and all other intermediaries in connection with such a public offering.
26. Voluntary liquidation or commencement of winding up proceeding of the Company including any proceeding under the Insolvency and Bankruptcy Code, 2016, general assignment for the benefit of its creditors or any consent to the entry of a decree or order for relief from creditors or any admission by the Company of: (a) its inability to pay its debts, or (b) any other action constituting a cause for the involuntary declaration of insolvency or bankruptcy.



27. Change in the packaging, branding, or labelling of any products sold by the Company including introduction of any brand or trademark, except as set out in the Business Plan.
28. The making of any payment by the Company otherwise than on an arm's length basis (including charitable and political donations).
29. The disposal of Assets (as defined in the SSA) (including IP) of the Company except in the ordinary course of business.
30. The: (i) making of any loan (other than credit given in the normal course of trading or loans to employees in the normal course not exceeding a maximum of 3 (three) months' net pay to any one employee or INR 20,00,000 (Rupees Twenty Lakhs Only) in aggregate), or (ii) incurrence or assumption of any form of indebtedness, including in excess of the levels agreed upon in the Business Plan, or creating a charge for or the issue or redemption of any loan capital prior to its due date.
31. Approval of the budget and Financial Statements of the Company.
32. Entering into related party transactions, agreements or arrangements (whether on arms' length basis or otherwise).
33. Appointing or changing the terms of appointment of or removing any Key Employee.
34. Taking any action inconsistent with the Business Plan which results in a deviation of 10% (ten percent) or more per annum which negatively impacts the net sales revenue, the gross margin or EBITDA as set out in the Business Plan for that Financial Year.
35. Taking the following actions, except as set out in the Business Plan:
 - (a) changing the number or names of the cities in which the products are being, or proposed to be, sold;
 - (b) changing the existing products or product variants; or
 - (c) launching new products or new product variants.
36. Adoption of a new Business Plan.
37. The entry into by the Company with any Person of negotiations concerning any of the matters set out in Part A of this schedule.

Part B

Matters requiring the approval of the Investor if the Investor does not subscribe to Tranche 2 Investor Shares and maintains a shareholding of at least 2.5% (two point five percent) of the Share Capital

1. Any amendment, modification or restatement of the Charter Documents.
2. Any reclassification, buyback, reduction of share capital or the creation of any options or other rights to subscribe for or to convert into Securities or the variation of, or the exercise of any discretion in relation to, the terms of issue of Securities.

3. Issue and allotment of any equity securities, debt securities and other Securities (other than employee stock options approved under the Stock Option Plan) at a price that is lesser than the price at which the Investor acquired the Investor Equity Shares.
4. The entry by the Company into any new, or the agreement by the Company to, any amendment or variation to, or waiver of any term of, any existing, agreement, commitment or understanding with any Shareholder or a potential shareholder or any Person connected with such a Person.
5. Creation or adoption of the existing Stock Option Plan or any new or additional employee stock option plan, or any change, modification or amendment to the foregoing.
6. Appointment or removal of any Director of the Company, including from the committees of the Board, except the appointment of the Promoter Directors, or changing the size of the Board.
7. Entering into any transaction that would result in a change in Control of the Company.
8. Entering into any merger, amalgamation, compromise, reconstruction or any other scheme of arrangement involving the Company.
9. Any alteration (including cessation) to the general nature of the Business.
10. Sale/transfer, spin off or hiving off any business, undertaking or business division of the Company whether by a single transaction or a series of transactions.
11. The acquisition (whether by purchase, subscription or otherwise) by the Company of any share capital or loan capital of, or the entry into by the Company of any partnership or joint venture arrangement or merger with, a body corporate or creation of any new subsidiaries.
12. The giving of any guarantee other than in relation to the supply of goods or services in the normal course of trading.
13. The establishment of any pension, profit sharing, bonus or incentive scheme for any employees or the variation of the terms of such a scheme.
14. The entry into, termination or renewal of varied terms (save as to premium) of directors and officers insurance for the Directors and officers of the Company.
15. Listing the Securities of the Company on any stock exchange, including determining the size and timing of the issue, price of the Securities, Promoters' offering, processes and appointment of the investment bankers, legal advisors and any and all other intermediaries in connection with such a public offering.
16. Voluntary liquidation or commencement of winding up proceeding of the Company including any proceeding under the Insolvency and Bankruptcy Code, 2016, general assignment for the benefit of its creditors or any consent to the entry of a decree or order for relief from creditors or any admission by the Company of: (a) its inability to pay its debts, or (b) any other action constituting a cause for the involuntary declaration of insolvency or bankruptcy.
17. The making of any payment by the Company otherwise than on an arm's length basis (including charitable and political donations).

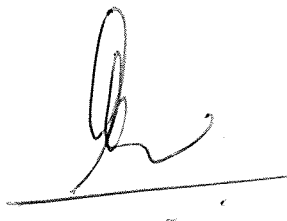


18. The: (i) making of any loan (other than credit given in the normal course of trading or loans to employees in the normal course not exceeding a maximum of 3 (three) months' net pay to any one employee or INR 20,00,000 (Rupees Twenty Lakhs Only) in aggregate), or (ii) incurrence or assumption of any form of indebtedness, including in excess of the levels agreed upon in the Business Plan, or creating a charge for or the issue or redemption of any loan capital prior to its due date.
19. Approval of the budget and Financial Statements of the Company.
20. Taking any action inconsistent with the Business Plan which results in a deviation of 10% (ten percent) or more per annum which negatively impacts the net sales revenue, the gross margin or EBITDA as set out in the Business Plan for that Financial Year.
21. Adoption of a new Business Plan.
22. The entry into by the Company with any Person of negotiations concerning any of the matters set out in Part B of this schedule.

Part C

Matters requiring the approval of the Investor if the Investor subscribes to Tranche 2 Investor Shares and holds less than 6.5% (six point five percent) of the Share Capital

1. Issue and allotment of any equity securities, debt securities and other Securities (other than employee stock options approved under the Stock Option Plan) at a price that is lesser than the price at which the Investor acquired the Investor Equity Shares.
2. Any alteration which adversely affects the powers, rights, preferences, privileges or entitlements which relating to or attached with the Securities held by the Investor, whether through amendment or repeal of the Charter Documents or any other action otherwise.
3. Any Liquidation Event or general assignment for the benefit of its creditors.
4. Authorizing or undertaking any reduction of share capital or share repurchase or redemption of any Securities.
5. Entering into any merger, amalgamation, compromise, reconstruction or any other scheme of arrangement involving the Company.
6. Any alteration (including cessation) to the general nature of the Business.
7. Sale/transfer, spin off or hiving off any business, undertaking or business division of the Company whether by a single transaction or a series of transactions.
8. The entry into by the Company with any Person of negotiations concerning any of the matters set out in Part C of this schedule.



SCHEDULE III
FORMAT OF DEED OF ADHERENCE

This Deed of Adherence (this **Deed**) is made on (*insert*) between:

1. Pot Ful India Private Limited (**Company**);
2. (*insert*) (the **New Shareholder**) [which proposes to acquire [*Insert details of Securities Transferred*] (the **Relevant Securities**) held by [*Insert details of Transferor*] (the **Selling Shareholder**) in the Company, in favour of and for the benefit of each and all of the following:]¹; OR [which proposes to subscribe to [*Insert details of Securities Issued*] (the **Relevant Securities**) being issued by the Company, in favour of and for the benefit of each and all of the following:]²; and
3. (*insert*) (the **Continuing Shareholders**).

WHEREAS:

- A. The [Selling Shareholder(s)]³, the Company and the Continuing Shareholder are parties to a Shareholders' Agreement dated (*insert*), 2018 (**Agreement**).
- B. The Agreement requires, *inter alia*, that as a condition to [any Transfer of Securities by any Party to any third party or Affiliate]⁴ OR [any issuance of Securities by the Company to any third party or Affiliate]⁵, such third party or Affiliate shall, enter into this Deed and be bound by the Agreement.
- C. The New Shareholder proposes to [purchase] / subscribe to (*insert*) Securities in the capital of the Company from the [Selling Shareholder] / [Company] in terms of a (*insert*) dated on or about (*insert*) executed between them.
- D. This Deed is made by the New Shareholder in compliance with the Agreement. Capitalized terms used but not defined in this Deed will have the respective meanings given to them in the Agreement.

THIS DEED WITNESSES AS FOLLOWS:

1. This Deed shall come into full force and effect on the date of [transfer of Relevant Securities to the New Shareholder] OR [issue and allotment of the Relevant Securities to the New Shareholder]⁶.
2. The New Shareholder confirms that it has been provided a complete copy of the Agreement on or prior to the execution of this Deed and has fully understood the terms thereof.

¹Note: To be deleted in the event the Deed is being executed pursuant to an issuance of Securities by the Company.

²Note: To be deleted in the event the Deed is being executed pursuant to a transfer of Securities to the New Shareholder.

³Note: To be retained if Deed is being executed pursuant to a transfer of Securities to the New Shareholder.

⁴Note: To be deleted in the event the Deed is being executed pursuant to an issuance of Securities by the Company.

⁵Note: To be deleted in the event the Deed is being executed pursuant to a transfer of Securities to the New Shareholder.

⁶Note: Depending on the manner of acquisition of the Relevant Securities, the applicable option should be retained and the other option deleted.

3. The New Shareholder agrees to hold the Relevant Securities subject to the Agreement and the Charter Documents and its terms.
4. The New Shareholder undertakes to the Continuing Shareholders and the Company to be bound by the Agreement in all respects as if the New Shareholder was a party to the Agreement and named in it as a Shareholder and to observe and perform all the provisions and obligations of the Agreement applicable to or binding on it under and in accordance with the Agreement.
5. The Continuing Shareholders undertake to the New Shareholder to observe and perform all the provisions and obligations of the Agreement applicable to or binding on them under the Agreement and acknowledge that the New Shareholder shall be entitled to the rights and benefits of the Agreement in accordance with the terms of the Agreement.
6. The New Shareholder represents, warrants and undertakes to each of the other Parties as follows:
 - (a) [Status]. It is a company duly established and existing under the laws of the jurisdictions stated on page 1 of this Deed and has the power and authority to own its assets and to conduct the business which it conducts and/or proposes to conduct;]⁷
 - (b) Powers. It has the power (i) to enter into, exercise its rights and perform and comply with its obligations under this Deed and (ii) to act as a Shareholder of the Company;
 - (c) Authorization and Consents. All actions, conditions and things required to be taken, fulfilled and done (including the obtaining of necessary consents) in order (a) to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations under this Deed and the Agreement are valid, legally binding and enforceable and (b) to make this Deed and the Agreement admissible in evidence in the courts of the jurisdiction in which it is incorporated have been taken, fulfilled and done;
 - (d) Non-Violation of Laws etc. Its entry into, exercise of its respective rights and/or performance of or compliance with their respective obligations under this Deed and the Agreement and the [purchase or subscription] of the Relevant Securities do not and will not violate or exceed any restriction imposed by (a) any laws and regulations binding on it to which it is subject or (b) its Charter Documents, as the case may be;
 - (e) Obligations Binding. Its obligations under this Deed and the Agreement are valid, binding and enforceable;
 - (f) Non-Violation of Other Agreements. Its entry into, exercise of its rights and/or performance of or compliance with its respective obligations under this Deed and the Agreement and the purchase of the Shares do not and will not violate any agreement to which it is a party which is binding on its assets.
7. This Deed is made for the benefit of, (i) the Parties to the Agreement, and (ii) every other person who after the date of the Agreement (and whether before or after the execution of this Deed) assumes any rights or obligations under the Agreement or adheres to it.

⁷Note: To be modified to the extent applicable.

8. The address and email address of the New Shareholder for the purposes of the Agreement is as follows:

Name :
Address :
Attention :
Telephone :
Email :

9. This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same deed and any party may enter into this deed by executing a counterpart.
10. This Deed is governed by and shall be governed by laws of India.

[Signature pages to follow]

