



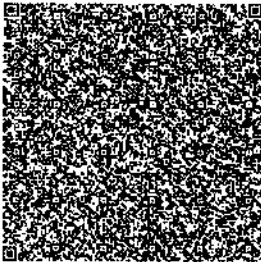
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## INDIA NON JUDICIAL

### Government of National Capital Territory of Delhi

#### e-Stamp

Certificate No.	: IN-DL23938650915745P
Certificate Issued Date	: 28-Aug-2017 04:11 PM
Account Reference	: IMPACC (IV)/ dl710803/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL71080349170050993398P
Purchased by	: CAMPUS ACTIVEWEAR PRIVATE LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: CAMPUS ACTIVEWEAR PRIVATE LIMITED
Second Party	: Not Applicable
Stamp Duty Paid By	: CAMPUS ACTIVEWEAR 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 SHARE SUBSCRIPTION AND PURCHASE AGREEMENT DATED 30 AUGUST 2017 AMONGST TPG GROWTH III SF PTE. LTD, QRG ENTERPRISES LIMITED, MR. RAJIV GOEL, MR. RAJESH KUMAR GUPTA, CAMPUS ACTIVEWEAR PRIVATE LIMITED, MR. NIKHIL AGGARWAL AND MR. HARI KRISHAN AGARWAL.

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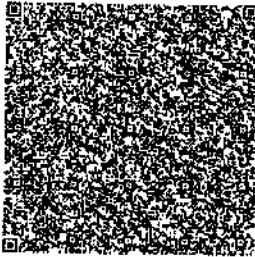
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Account Reference	: IMPACC (IV)/ dl710803/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL71080349172414958695P
Purchased by	: CAMPUS ACTIVEWEAR PRIVATE LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: CAMPUS ACTIVEWEAR PRIVATE LIMITED
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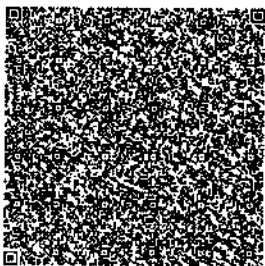
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Certificate Issued Date	: 28-Aug-2017 04:09 PM
Account Reference	: IMPACC (IV)/ dl710803/ DELHI/ DL-DLH
Unique Doc. Reference	: SUBIN-DL71080349171963650112P
Purchased by	: CAMPUS ACTIVEWEAR PRIVATE LIMITED
Description of Document	: Article 5 General Agreement
Property Description	: Not Applicable
Consideration Price (Rs.)	: 0 (Zero)
First Party	: CAMPUS ACTIVEWEAR PRIVATE LIMITED
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**SHARE SUBSCRIPTION AND PURCHASE AGREEMENT**

**AUGUST 30, 2017**

---

**AMONGST**

**TPG GROWTH III SF PTE. LTD**

**AND**

**QRG ENTERPRISES LIMITED**

**AND**

**CAMPUS ACTIVEWEAR PRIVATE LIMITED**

**AND**

**RAJIV GOEL**

**AND**

**RAJESH KUMAR GUPTA**

**AND**

**THE PERSONS LISTED IN SCHEDULE 1**



Shardul Amarchand Mangaldas  
23<sup>rd</sup> Floor, Express Towers,  
Nariman Point,  
Mumbai 400 021, India  
Ref: Iqbal Khan / 2017



**PDS Legal**  
Advocates & Solicitors

Office No. 7 | First Floor | Atma Ram  
Mansion | Scindia House | K.G.Marg,  
Connaught Place | New Delhi - 110001  
| India

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## SHARE SUBSCRIPTION AND PURCHASE AGREEMENT

This **SHARE SUBSCRIPTION AND PURCHASE AGREEMENT** (this “**Agreement**”) is entered into on this thirtieth day of August, 2017 (the “**Agreement Date**”),

### BY AND AMONGST:

- (1) **TPG GROWTH III SF PTE. LTD.**, a company incorporated under the laws of Singapore, having its registered office at UOB Plaza One, Level 15, 80 Raffles Place, Singapore (the “**TPG Investor**,” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);
- (2) **QRG ENTERPRISES LIMITED**, a company incorporated under the laws of the Republic of India, with corporate identification number U31900DL1991PLC043974, and whose registered office is at 904, 9th Floor, Surya Kiran Building, K G Marg, Connaught Place, New Delhi, Central Delhi-110001 (the “**QRG Investor**,” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns);
- (3) **RAJIV GOEL** aged 46 (Forty Six) years, a person resident in India and residing at SV-II, Flat Number 4FF, Eldeco Eutopia, Sector 93A, Noida, Uttar Pradesh-201301 (hereinafter referred to as “**Rajiv**,” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, executors, administrators, legal representatives and permitted assigns);
- (4) **RAJESH KUMAR GUPTA** aged 60 (Sixty) years, a person resident in India and residing at 4A, Under Hill Lane, Civil Lines, Delhi-110054 (hereinafter referred to as “**Rajesh**,” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his heirs, executors, administrators, legal representatives and permitted assigns);
- (5) **CAMPUS ACTIVEWEAR PRIVATE LIMITED**, a company incorporated under the laws of the Republic of India, with corporate identification number U74120DL2008PTC183629, and whose registered office is at D-I, Udyog Nagar Main Rohtak Road New Delhi-110041 (the “**Company**,” which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns); and
- (6) **THE PERSONS LISTED IN SCHEDULE 1** (*Details of Promoters*) (collectively, the “**Promoters**,” and individually, a “**Promoter**,” which expression shall, unless it is repugnant to the context or meaning thereof, include their respective legal heirs, successors, permitted assigns and legal representatives).

The TPG Investor and the QRG Investor shall, collectively, be referred to as the “**Investors**” and, individually, as an “**Investor**.” Rajiv and Rajesh shall, collectively, be referred to as the “**Additional Investors**” and, individually, as an “**Additional Investor**.” The TPG Investor, QRG Investor, Company, Additional Investors and Promoters are, collectively, referred to as the “**Parties**” and individually, as a “**Party**.”

## RECITALS

### WHEREAS:

- (A) The Company, together with AI, is engaged in the Business (*as defined below*);
- (B) The Business was initially undertaken through 4 (four) entities: Nikhil International (“NI”), Ankit International (“AI”), Kabeer Textiles Private Limited (“KTPL”) and the Company. As part of an internal reorganization of the Business (collectively, the “**Business Restructuring**”): (a) the business of NI has been succeeded by the Company, on a going concern basis, for INR 1,530,000,000 (Rupees One Billion Five Hundred and Thirty Million), and, in consideration of such transfer, Mr. Hari Krishan Agarwal (the sole proprietor of NI) was issued 153,000,000 (One Hundred and Fifty-Three Million) redeemable preference shares of face value INR 10 (Rupees Ten) each in the Company (the “**Business Succession**”); (b) the entire business of KTPL has been transferred to the Company, on a going concern basis for an aggregate consideration of INR 100,000 (Rupees One Hundred Thousand) (the “**Business Transfer**”); and (c) the Company has been admitted as a partner in AI (the “**Company Admission**”);
- (C) As on the Agreement Date, the Company has: (a) authorised share capital of INR 1,535,000,000 (Rupees One Billion Five Hundred and Thirty Five Million), comprised of 500,000 (Five Hundred Thousand) equity shares of face value INR 10 (Rupees Ten) each (each, an “**Equity Share**,” and, collectively, the “**Equity Shares**”) and 153,000,000 (One Hundred and Fifty-Three Million) preference shares of INR 10 (Rupees Ten) each; (b) Equity Share Capital (*as defined below*) of INR 800,000 (Rupees Eight Hundred Thousand), comprised of 80,000 (Eighty Thousand) Equity Shares; and (c) issued and paid-up preference share capital of INR 1,530,000,000 (Rupees One Billion Five Hundred and Thirty Million), comprised of 153,000,000 (One Hundred and Fifty-Three Million) redeemable preference shares of face value INR 10 (Rupees Ten) each;
- (D) The capital structure of the Company immediately prior to Completion (*as defined below*) is set forth in Schedule 3 (Current Capital Structure);
- (E) The Company intends to raise capital for the purpose of expanding the Business. In furtherance of raising capital, the Company intends to offer for subscription 15,958 (Fifteen Thousand Nine Hundred and Fifty Eight) Equity Shares to the TPG Investor, constituting 16.40% (sixteen point four percent) of the Equity Share Capital on a Fully Diluted Basis, and 1,373 (One Thousand Three Hundred and Seventy Three) Equity Shares to the QRG Investor, constituting 1.41% (one point four one percent) of the Equity Share Capital on a Fully Diluted Basis, (collectively, the “**Subscription Shares**”), and the Investors intend to subscribe for the Subscription Shares in accordance with the terms of this Agreement (the “**Subscription**”);
- (F) In addition, Nikhil Aggarwal (the “**Selling Promoter**”) intends to offer for sale 2,440 (Two Thousand Four Hundred and Forty) Equity Shares to the QRG Investor constituting 2.51% (two point five one percent) of the Equity Share Capital on a Fully Diluted Basis, 60 (Sixty) Equity Shares to Rajiv constituting 0.06% (zero point zero six percent) of the Equity Share Capital on a Fully Diluted Basis; and 119 (One Hundred and Nineteen) Equity Shares to

Rajesh constituting 0.12% (zero point one two percent) of the Equity Share Capital on a Fully Diluted Basis, collectively 2,619 (Two Thousand Six Hundred and Nineteen) Equity Shares constituting 2.69% (two point six nine percent) of the Equity Share Capital on a Fully Diluted Basis (collectively, the “**Sale Shares**”), and the QRG Investor, Rajiv and Rajesh intend to purchase such Sale Shares in accordance with the terms of this Agreement (the “**Secondary Investment**,” together with the Subscription, the “**Investment**”). Immediately upon consummation of the Investment, the capital structure of the Company shall be as set forth in Schedule 4 (Capital Structure Following Investment); and

- (G) The Parties wish to record their agreement in respect of the Investment and matters incidental thereto, and have accordingly entered into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual agreements, covenants, representations, and warranties and indemnities set forth in this Agreement and in the other Transaction Documents, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, the Parties hereby agree as follows:

1. **DEFINITIONS AND INTERPRETATION.**

Unless the contrary intention appears, the definitions and the rules of interpretation set forth in Schedule 5 (Definitions and Interpretation) shall apply throughout this Agreement.

2. **PURCHASE AND SUBSCRIPTION OF SHARES.**

- 2.1 Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties, the covenants, the undertakings, and the indemnities provided by the Promoters and the Company in the Transaction Documents, on the Completion Date:

- 2.1.1 **Subscription.** Subject to Applicable Law, each Investor shall subscribe for, and the Company shall issue and allot to such Investor, in the proportion and for such consideration as set forth opposite such Investor’s name in this Clause 2.1.1, on a preferential allotment basis and through private placement, the Subscription Shares, free and clear from any and all Encumbrances, for an aggregate subscription price of INR 2,920,273,500 (Rupees Two Billion Nine Hundred and Twenty Million Two Hundred and Seventy Three Thousand Five Hundred) (collectively, the “**Subscription Consideration**”), based on the pre-money equity valuation of the Company being INR 13,480,000,000 (Rupees Thirteen Billion Four Hundred and Eighty Million):

Name of the Investors	Number of Subscription Shares	Subscription Consideration (in INR)
TPG Investor	15,958	2,688,923,000
QRG Investor	1,373	231,350,500
<b>Total</b>	17,331	2,920,273,500



- 2.1.2 **Secondary Investment.** Subject to Applicable Law, the Selling Promoter shall sell, and the QRG Investor and each Additional Investor shall purchase from the Selling Promoter, in the proportion and for such consideration as set forth opposite such QRG Investor and such Additional Investor's name in this Clause 2.1.2 (Secondary Investment), the Sale Shares, free and clear from any and all Encumbrances, for an aggregate price of INR 441,000,000 (Rupees Four Hundred and Forty One Million) (the "**Purchase Consideration**," and together with the Subscription Consideration, the "**Investment Amount**"), based on the pre-money equity valuation of the Company being INR 13,480,000,000 (Rupees Thirteen Billion Four Hundred and Eighty Million):

<b>Name of the Investors / Additional Investors</b>	<b>Number of Sale Shares</b>	<b>Purchase Consideration (in INR)</b>
QRG Investor	2,440	411,140,000
Rajiv	60	10,110,000
Rajesh	119	20,051,500
<b>Total</b>	<b>2619</b>	<b>441,000,000</b>

- 2.2 The Subscription Consideration shall be used by the Company for such purposes as approved by the Board from time to time, and as more specifically set out in Clause 4.2.5 of this Agreement.
- 2.3 The Company shall, and the Promoters shall cause the Company to, provide all assistance and co-operation to, and as reasonably requested by, the Investors, including, with respect to passing all resolutions by the Board and / or shareholders of the Company to obtain all, or any, of the: (a) Approvals in relation to: (i) the Subscription; and (ii) the Secondary Investment, if any, required under Applicable Laws; and / or (b) Consents. The Company shall, and the Promoters shall cause the Company to, obtain and prepare all necessary forms, reports and documents that are required to be filed by the Company, and comply with any Consents or Approvals under Applicable Laws and / or pursuant to previously obtained Approvals, if any, with respect to: (i) the Subscription; and (ii) the Secondary Investment.
- 2.4 Each Promoter hereby agrees to: (a) the Transactions (including: (i) the Subscription; and (ii) the Secondary Investment, on the terms and conditions set out in this Agreement); and (b) waive all pre-emptive rights and other rights that it may have in respect of the Transactions, if any, whether conferred under the Charter Documents or otherwise.
- 2.5 Upon consummation of: (a) the Subscription; and (b) the Secondary Investment, on the Completion Date, the Equity Shares held by the Investors and the Additional Investors shall constitute 20.32% (twenty point three two percent) and 0.18% (zero point one eight percent),

respectively, of the Equity Share Capital on a Fully Diluted Basis, as set forth in Schedule 4 (Capital Structure Following Investment).

3. **EXCLUSIVITY UNDERTAKING & CONDUCT PRIOR TO COMPLETION**

- 3.1 **Exclusivity Undertaking.** The Company and the Promoters confirm that, as on the Agreement Date, they have irrevocably terminated all discussions or agreements with any other Person in relation to any proposed issuance and allotment, or Transfer, of Securities or acquisition of Assets, and that no Person has any right or entitlement granted by the Company or by the Promoters to acquire any Securities (other than the rights granted to the Investors under the Transaction Documents) or to acquire any Assets. Further, between the Agreement Date and the Completion Date, the Promoters shall not, and / or shall not authorize or permit any of their Affiliates (including the Company or Affiliates of the Company) or any of their or their Affiliates' Representatives to, directly or indirectly, encourage, solicit, initiate, facilitate, discuss or enter into an agreement or understanding (whether or not such agreement or understanding is absolute, revocable, contingent, conditional, oral, written, binding or otherwise) or solicit with any Person, for a potential acquisition of any or all the Assets or outstanding securities, including in relation to issuance of any securities or ownership of the Company, or granting any management rights in the Company.
- 3.2 **Conduct Prior to Completion.** From the Agreement Date up and until the Completion Date, the Company and / or its Affiliates shall, and the Promoters shall cause the Company and / or its Affiliates to: (a) conduct the Business only in the Ordinary Course of Business; and (b) except as specifically and expressly required by this Agreement or with the prior written consent of the TPG Investor, procure that the Target Group Entities and / or their respective Affiliates shall not, directly or indirectly, individually or collectively, take any action, or plan or resolve to take any action, that is an Affirmative Vote Matter.
- 3.3 **Information Prior to Completion.** The Company and the Promoters undertake to promptly notify the Investors in writing of any fact, circumstance, event or action, the existence, occurrence or taking of which: (a) has had, or could reasonably be expected to have, individually, or in the aggregate, a Material Adverse Effect; (b) has resulted in, or could reasonably be expected to result in, any representation or warranty made by the Promoters or the Company hereunder not being true and correct; or (c) has resulted in, or could reasonably be expected to result in, the failure of any of the covenants, agreements, undertakings or Conditions Subsequent to be satisfied in accordance with the terms hereunder.
4. **COMPLETION ACTIONS.**
- 4.1 Subject to and in accordance with the terms of this Agreement and the Applicable Law, the Subscription and the Secondary Investment shall take place simultaneously on the Completion Date at the registered office of the Company or such other place as mutually agreed among the Parties ("**Completion**"). The completion date (the "**Completion Date**"), for the purposes of this Agreement shall be a date not later than 7 (seven) Business Days from the Agreement Date or such other date as may be mutually agreed between the Investors and the Promoters.

4.2 On the Completion Date:

4.2.1 the Company and the Promoters shall deliver the Completion Certificate to the Investors certifying that all Warranties are true, complete and correct in all respects as of the Completion Date;

4.2.2 the following shall occur simultaneously:

- (a) the QRG Investor and each Additional Investor shall remit its respective portion of the Purchase Consideration by way of wire transfer to the designated bank account of the Selling Promoter in compliance with the Act, the details of which are provided in Schedule 6 (Details of Accounts); and
- (b) the Selling Promoter shall deliver irrevocable instructions (in terms of duly signed delivery instruction slips) to its depository participant to transfer the Sale Shares in dematerialised form, free from all Encumbrances from the Selling Promoter Demat Account to: (i) QRG Investor Demat Account; (ii) Rajiv Demat Account; and (iii) Rajesh Demat Account, in the proportion set out in Clause 2.1.2, and the Selling Promoter shall simultaneously deliver a copy of the signed delivery instruction slips to the QRG Investor and the Additional Investors;

4.2.3 each Investor shall remit its respective portion of the Subscription Consideration by way of wire transfer to the designated bank account of the Company in compliance with the Act, the details of which are provided in Schedule 6 (Details of Accounts);

4.2.4 the Company shall, and the Promoters shall cause the Company to:

- (a) upon receipt of the Subscription Consideration, issue: (i) a duly stamped letter of allotment for the Subscription Shares to such Investor; and (ii) immediately thereafter issue and allot the Subscription Shares, in dematerialised form, in the manner and proportion set out in this Agreement, free and clear of any and all Encumbrances with all rights, title and interest therein;
- (b) convene a meeting of the Board to pass appropriate resolutions (in Agreed Form):
  - (i) approving and taking on record all the Transactions, including: (A) the issuance and allotment of the Subscription Shares to the Investors, in the manner and proportions set out in this Agreement; and (B) the sale by the Selling Promoter and the purchase by the QRG Investor and the Additional Investors, of the Sale Shares, in the manner and proportions set out in this Agreement, free and clear of any and all Encumbrances with all rights, title and interest;

- (ii) approving the amended Charter Documents of the Company (in Agreed Form), subject to the approval of the shareholders in the general meeting of the Company;
- (iii) appointing Directors nominated by the Investors, including an independent Director on the Board as additional (non-executive) directors;
- (iv) directing the names of the Investors and the Additional Investors to be entered in the register of members of the Company as the registered holder of their respective portions of the Subscription Shares and Sale Shares;
- (v) authorising an officer of the Company to make appropriate filings with the statutory authorities, as required, in relation to each of the above; and
- (vi) approving the issue of a Notice to convene at a shorter notice in accordance with the Act, an extra ordinary general meeting of the Shareholders of the Company to be held on the second day following the Completion Date,

and deliver to the Investors and the Additional Investors, certified copies of all such resolutions;

- (c) update and provide certified true copies to the Investors and the Additional Investors of:
  - (i) the register of members of the Company reflecting the: (A) sale by the Selling Promoter and purchase by the QRG Investor and the Additional Investors of the Sale Shares, in the manner and proportions set out in this Agreement; and (B) issue and allotment of the Subscription Shares to the Investors by the Company, in the manner and proportions set out in this Agreement; and
  - (ii) the register of directors of the Company to reflect the appointment of the Investors Directors as non-executive Directors on the Board; and

4.2.5 the Company shall, and the Promoters shall cause the Company to, immediately upon receipt of the Subscription Consideration, make the payments set out below (it being clarified that, notwithstanding anything contained in the Shareholders' Agreement, any actions to be undertaken by the Company only for making the following payments shall not require any prior approvals/consents of the Investors):

No.	Purpose of Utilization	Repayment Amount (in INR)
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No.	Purpose of Utilization	Repayment Amount (in INR)
1.	Repayment of the amounts outstanding (including the principal and accrued interest thereon) under the facilities availed by the Company, or transferred to the Company pursuant to the Business Restructuring, being as follows: <ul style="list-style-type: none"> <li>• facility availed from Fullerton India Credit Company Limited; and</li> <li>• facilities availed from Reliance Capital Limited, respectively.</li> </ul>	300,000,000
2.	Payment to AI in relation to the Company's capital contribution for being admitted as a partner of AI.	199,990,000
3.	Advisor fees in relation to the Transaction (net of Taxes)	90,000,000

4.3 On the second day following the Completion Date, the Company shall convene a general meeting of the shareholders of the Company, to pass appropriate resolutions (in Agreed Form):

4.3.1 adopting the amended Charter Documents of the Company (in Agreed Form); and

4.3.2 regularising the appointment of the Directors nominated by the TPG Investor and the QRG Investor on the Board,

and shall deliver to the Investors and the Additional Investors certified copies of all such resolutions.

4.4 The obligations of each Party in this Clause 4 (Completion Actions) are interdependent on each other. Notwithstanding anything to the contrary in this Agreement, all actions to be performed at Completion shall be deemed to be a single transaction so that, at the option of the Party for whose benefit an action is to be performed, Completion shall not be deemed to have taken place unless and until all such actions have been performed.

4.5 Without prejudice to the rights and the remedies of the Parties hereunder, if any of the actions as contemplated in Clause 4.2 does not take place on the Completion Date as a result of, or due to any delay with respect to the consummation of the Transactions, the Parties shall take all necessary actions to complete such pending actions within 3 (three) days from the Completion Date.

4.6 Completion shall be deemed to have taken place on the Completion Date only if all the actions set out in Clause 4.2 have been performed in terms of this Agreement.

Notwithstanding anything to the contrary in this Clause 4 (Completion Actions), the Investors and the Additional Investors shall be required to consummate the Transactions only if both the Subscription and the Secondary Investment are consummated simultaneously in terms of Clause 4.2 above; provided, however, if the Promoters and / or the Company fail to comply with, or perform, any of their obligations in relation to the Subscription or the Secondary Investment, the TPG Investor, with or without the QRG Investor or the Additional Investors, and without prejudice to any of the remedies available to it pursuant to the Transaction Documents, shall have the right (but not an obligation) to proceed with consummating, at its sole discretion, the Subscription (including the QRG Investor's portion of the Subscription). The Parties agree that in a case where the TPG Investor chooses to proceed with completion of the Subscription, such completion shall be deemed Completion for the purpose of this Clause 4 (Completion Actions).

- 4.7 If Completion is postponed to another date in accordance with Clause 4.5, the provisions of this Agreement shall apply as if such other date is the Completion Date.

5. **POST-COMPLETION ACTIONS AND CONDITIONS SUBSEQUENT.**

- 5.1 Following Completion, the Company shall, and the Promoters shall cause the Company to, complete each of the following actions (collectively, the "**Post-Completion Actions**"), to the satisfaction of the TPG Investor, unless any of such actions has been waived by the TPG Investor in writing (or the TPG Investor has agreed in writing to extend the deadlines set out below), in its sole discretion:

5.1.1 within 7 (seven) days of the Completion Date:

- (a) file with the RBI (through a recognized authorised dealer) and other concerned authorities, all documents required under Applicable Law (including Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time) in connection with the receipt of the Subscription Consideration by the Company and the Subscription, including: (i) the online advance reporting form (on <https://services.ebiz.gov.in/app/>) along with all supporting documents (such as the foreign inward remittance certificate), as may be required; and (ii) the online Form FC-GPR (on <https://services.ebiz.gov.in/app/>) along with all supporting documents, as may be required, and shall thereafter, forthwith deliver copies of the same (along with the acknowledgements of delivery to the authorised dealer) to the Investors;
- (b) file all statutory forms required to be filed with the jurisdictional Registrar in accordance with the provisions of the Act, in respect of the Subscription, including, particularly, the following forms:
  - (i) Form PAS-3, to report the issuance and allotment of the Subscription Shares;

- (ii) Form MGT-14, for the special resolution amending the Charter Documents of the Company; and
    - (iii) Form DIR-12, in respect of appointment of the Investors' nominee Directors;
  - (c) update details of the offer of the Subscription Shares in Form PAS-5 or such other form as may be applicable under the provisions of the Act; and
  - (d) deliver certified copies of all the documents referred to in this Clause 5.1.1 to the Investors;
- 5.1.2 within 20 (twenty) days from the circulation of the Offer Letter, the Company shall file with the jurisdictional Registrar, Form GNL-2 (attaching Form PAS-4 and Form PAS-5 updated in terms of Clause 5.1.1(c) above), or such other form as may be applicable under the provisions of the Act, to report circulation of the Offer Letter;
- 5.1.3 within 7 (seven) days of receipt from the RBI, provide the Investors with the unique identification number allotted by the RBI in respect of the remittance of the Subscription Consideration along with a certified copy of the letter issued by the RBI in this regard; and
- 5.1.4 within 7 (seven) days of receipt from the RBI, provide the Investors with the registration no. allotted by the RBI in respect of the filing of the Form FC-GPR along with a certified copy of the letter issued by the RBI in this regard.
- 5.2 Following Completion; (a) the Company shall, and the Promoters shall cause the Company to, fulfil each of the conditions set forth in Part A of Schedule 9 (Conditions Subsequent); and (b) the Promoters shall fulfil the condition set forth in Part B of Schedule 9 (collectively, and together with the Post-Completion Actions, the "**Conditions Subsequent**") within 30 (thirty) days of the Completion Date (save and except where a longer time period for fulfilment of such Condition Subsequent is specifically provided in Schedule 9 (Conditions Subsequent)), to the sole and absolute satisfaction of the TPG Investor, and provide a certificate, issued by a Director (other than the Investors' nominee Directors), certifying the completion of each of the Conditions Subsequent in a form and manner acceptable to the TPG Investor, along with all relevant documents evidencing such completion; and (c) the Company and the Promoters, with respect to each of the Conditions Subsequent (as applicable to it), shall certify to the Investors, in writing, compliance with Applicable Laws by the Company and all Persons associated with it with respect to, and in connection with, each of the Conditions Subsequent, and shall provide such supporting evidence of compliance as the Investors may reasonably request from time to time.
- 5.3 Any failure to complete any of the Conditions Subsequent shall be deemed to be a material breach of this Agreement.

6. **REPRESENTATIONS AND WARRANTIES.**

- 6.1 Subject to the matters Fairly Disclosed in the Disclosure Letter in relation to the Warranties (except for the Fundamental Warranties and the Company Tax Warranties, which shall not be qualified or limited, in any manner whatsoever), the Promoters and the Company (jointly and severally) represent and warrant to the Investors that, subject to Clause 6.4, each representation and warranty set out in Part A of Schedule 7 (Warranties) (collectively, the “**Company Warranties**”) is true, complete, correct and not misleading in any respect on the Agreement Date, and acknowledges that the Investors are entering into this Agreement, along with the other Transaction Documents, on the basis of, and in reliance upon, such Company Warranties.
- 6.2 The Promoters represent and warrant to the Investors that each representation and warranty set out in Part B and Part C of Schedule 7 (Warranties) (collectively, the “**Promoters’ Warranties**”) is true, complete, correct and not misleading in any respect, on the Agreement Date, and acknowledge that the Investors are entering into this Agreement, along with the other Transaction Documents, on the basis of, and in reliance upon, such Promoters’ Warranties.
- 6.3 Each Investor and each Additional Investor individually (and not jointly and severally) represents and warrants to the Company and the Promoters that each representation and warranty set out in Part D of Schedule 7 (Warranties) (collectively, the “**Investors Warranties**”) is true, complete, correct and not misleading in any respect, on the Agreement Date, and acknowledges that the Promoters and the Company are entering into this Agreement, along with the other Transaction Documents, on the basis of, and in reliance upon, such Investors Warranties.
- 6.4 The Promoters and the Company will be entitled to deliver a Disclosure Letter to the Investors on or prior to the Agreement Date. The Warranties (except the Fundamental Warranties and the Company Tax Warranties) provided by the Promoters and / or the Company to the Investors will be qualified by those matters Fairly Disclosed in relation to such Warranties in the Disclosure Letter (and, for avoidance of any doubt, which shall not qualify or limit, in any manner whatsoever, any of the Fundamental Warranties or the Company Tax Warranties), with sufficient facts and details to identify the nature and scope of the matters disclosed and so as to enable a reasonable purchaser to make an informed assessment of the matter. A disclosure with respect to any of the Warranties shall not act as an implied disclosure to any of the other Warranties in respect of which such disclosure was not specifically set out in the Disclosure Letter.



- 6.5 Subject to the matters Fairly Disclosed in the Disclosure Letter in relation to the Warranties (except for the Fundamental Warranties and the Company Tax Warranties, which shall not be qualified or limited, in any manner whatsoever), the Parties expressly agree that it shall not be a defence to any Claim against the Company, the Promoters and / or their respective Representatives, including in relation to, arising out of, in connection with, or with respect to, any misrepresentation or breach or non-performance of, or non-compliance with, any representation and warranty, covenant, undertaking, agreement and / or indemnity, that:
- 6.5.1 the Investors, or any of their respective Representatives, knew or ought to have known or had constructive knowledge of any information relating to the circumstances giving rise to such Claim (either pursuant to any diligence or otherwise);
  - 6.5.2 the Investors, or any of their respective Representatives, conducted or were provided with an opportunity to conduct a due diligence on the Company / the Business or were presented with information or data pertaining to the Company / the Business, requested by, or on behalf of, the Investors prior to the execution of this Agreement or any other Transaction Documents; or
  - 6.5.3 the Promoters are not involved in the day-to-day management and operations of the Company, and the Company is managed by a management team, which is operating professionally as per the terms of their employment. It is expressly clarified that the Promoters are in Control of the Company prior to the completion of the Transactions, and, for the purposes of the Transactions, the Promoters and /or their Affiliates are deemed to have all the necessary knowledge and information required to make the representations and warranties made under the Transaction Documents on behalf of itself and / or the Company.
- 6.6 Each Warranty shall be construed as a separate warranty and shall not be limited or restricted by inference from the terms of any other Warranty or other terms of this Agreement.
- 6.7 Subject to the matters Fairly Disclosed in the Disclosure Letter in relation to the Warranties (except for the Fundamental Warranties and the Company Tax Warranties, which shall not be qualified or limited, in any manner whatsoever), none of the Warranties shall be treated as qualified or limited by any actual, implied or constructive knowledge on the part of any of the Investors or their respective Representatives.
- 6.8 Notwithstanding anything to the contrary herein, the Promoters shall not, and shall ensure that its Representatives do not, seek any restitution, reimbursement or contribution from, or make any other Claims against, the Company or its Representatives, including for, or in respect of, any amounts paid by the Promoters to any of the Indemnified Parties and / or their nominees, if applicable, under the terms of, or in relation to, the Transaction Documents, including Clause 7 (Indemnification), and the Promoters hereby expressly and irrevocably waive all rights in law, equity or otherwise in respect of such restitution, reimbursement, contribution or any claim.
- 6.9 Any breach or violation of the provisions of this Clause 6 (Representations and Warranties) of this Agreement shall be deemed to be a material breach of this Agreement.

- 6.10 The Company and the Promoters (jointly and severally) represent and warrant to the Additional Investors that the representations and warranties set out in Paragraphs 1.1, 1.2, 1.5, 1.9, 1.12, 1.13, 1.14, 1.16, 1.17, 1.18 (to the extent applicable), and 1.19 of Part A of Schedule 7 (Warranties) and Part B (to the extent applicable) of Schedule 7 (Warranties) are true, complete, correct and not misleading in any respect on the Agreement Date.

## 7. INDEMNIFICATION.

- 7.1 **Right of Indemnification of the Investors.** Each Promoter and the Company (as the case may be) (each, an “**Indemnifying Party**,” and collectively, the “**Indemnifying Parties**”) jointly and severally agrees to indemnify, defend, hold harmless, pay and reimburse: (a) each Investor and its Affiliates; (b) the respective shareholders, partners, officers, directors and employees of such Investor and / or its Affiliates; and (c) the Company (as the case may be) (each, an “**Indemnified Party**,” and collectively, the “**Indemnified Parties**”), from and against any and all Losses suffered, incurred or sustained by, or imposed upon, the Indemnified Parties as a result of, arising out of, with respect to, in connection with or by reason of:

7.1.1 any inaccuracy in, or breach of any of, the Warranties, including any representations and warranties of the Promoters, the Company and / or AI in any of the other Transaction Documents or any certificates or other documents delivered by any such Person pursuant to any of the Transaction Documents;

7.1.2 any breach or non-fulfilment of any covenant, undertaking, agreement or obligation to be performed by the Promoters, the Company and / or AI, under any of the Transaction Documents, including any of the Conditions Subsequent (except if such breach or non-fulfilment is a direct and sole consequence of the written instructions by the Investors (save and except for anything set forth in the Transaction Documents) or a failure of the Investors to respond to a valid written communication from the Company to the Investors strictly in accordance with Clause 10 (Notices) seeking a response with respect to the performance of such covenant, undertaking, agreement or obligation by the Company (save and except for anything set forth in the Transaction Documents)), and which breach has not been cured within a period of 30 (thirty) Business Days from the date of notification from the Investors in this regard to the Investor’s satisfaction;

7.1.3 any fraud, gross negligence or wilful misconduct by the Promoters or any of its Affiliates, the Company and / or AI, in connection with the Transactions; and / or

7.1.4 any Specific Indemnity Item.

## 7.2 Limitations on Liability.

### 7.2.1 Limitation on Quantum.

- (a) The Indemnifying Parties shall not be liable in respect of any claim for: (i) any inaccuracy in, or breach of any of, the Warranties as provided under Clause 7.1.1 (other than the MLAC Warranties); and / or (ii) any breach or non-fulfilment of: (A) any covenant, undertaking, agreement or obligation

(including any of the Conditions Subsequent) to be performed by the Promoters, the Company and / or AI, under this Agreement; or (B) the covenants to be performed by the Company under Clause 7.1 (Information and Reports) of the Shareholders' Agreement, unless and until:

- (i) the amount of such Claim, together with any other Claim related to, or arising out of, the same or substantially similar facts, events or circumstances, is in excess of INR 2,500,000 (Rupees Two Million Five Hundred Thousand) (the "**De-Minimis Amount**"), (collectively, the "**Relevant Claims**," and individually, a "**Relevant Claim**"); and
  - (ii) the aggregate value of all the Relevant Claims under Clause 7.2.1(a)(i) is equal to, or greater than, INR 15,000,000 (Rupees Fifteen Million) (the "**Threshold Amount**"), in which case the Indemnifying Party shall be liable for all Relevant Claims from the first rupee, including those below the Threshold Amount.
- (b) Subject to Clause 7.2.4, in relation to Clause 7 (Indemnity): (i) the Indemnifying Parties' aggregate liability for all Relevant Claims shall not exceed an amount equal to the Investment Amount; and (ii) each Investor shall be entitled to only such indemnity amount as is such Investor's contribution towards the Investment Amount, provided, however, the Indemnified Parties shall be entitled to claim the entire Investment Amount as indemnity if the Indemnified Parties bring a Claim on behalf of all the Indemnified Parties. It is hereby clarified that nothing in this Clause 7.2.1 (b) shall apply to a Claim arising from Losses suffered, incurred or sustained by, or imposed upon, an Indemnified Party as a result of, arising out of, with respect to, in connection with or by reason of any inaccuracy in, or breach of any of, the MLAC Warranties.
- (c) Subject to Clause 7.2.4, if any Indemnifying Party is required to indemnify any Indemnified Party for Claims with respect to or by reason of Clause 7.1.4, such indemnity payment shall be made after deducting such Indemnified Party's proportionate share of the Actual and Quantifiable Tax Benefit (if any) received by the Company until the date of such indemnity payment by the Indemnifying Parties to such Indemnified Party. For purposes of this Clause 7.2.1(c), "**Actual and Quantifiable Tax Benefit**" shall mean the actual, quantifiable and undisputed Tax benefit that: (i) has accrued to the Company as of the aforesaid date solely as a direct result of the amortisation of goodwill existing on April 1, 2017 (the "**Goodwill Amortisation**"); (ii) has been certified by a reputable tax advisor or the Company's auditor; and (iii) is accepted at the assessment stage itself and provided there are no outstanding Tax litigations in connection with, or relating to, the Goodwill Amortisation. Notwithstanding anything to the contrary in this Clause 7.2, (a) the Actual and Quantifiable Tax Benefit shall not include any future or contingent Tax benefit that may accrue to the Company as a result of the

Goodwill Amortisation; (b) if, at any time, such Actual and Quantifiable Tax Benefit is denied or revoked by the Tax Authorities in the future, then such Indemnified Party shall be entitled to claim an indemnity for an amount equal to, at its sole election: (A) its proportionate share of such lost Tax benefit from the Indemnifying Parties; or (B) an amount that would put such Indemnified Party in the financial position it would have been in but for the Indemnifying Parties making a deduction to the indemnity payment pursuant to this Clause 7.2); (c) if: (A) the Actual and Quantifiable Tax Benefit has not been assessed or is in dispute before the Tax Authorities at the date of such indemnity payment, and (B) such dispute is subsequently resolved pursuant to a non-appealable order in favour of the Company or where no appeal has been filed by Tax Authorities, against a favourable appealable order, within 6 months from the date of receipt of such order, then, provided the Indemnifying Parties have paid the full amount of the indemnity payment to the Indemnified Parties pursuant to Clause 7.1.4, such Tax benefit will accrue solely to the account of the Indemnifying Parties and shall be paid to them, within 30 days, by the Company proportionate to their respective shareholding in the Company at the date of the indemnity payment, in an efficient manner as mutually agreed between the TPG Investor (if a shareholder in the Company at such time), the Company and the Promoters, with due adjustments for gross up, as provided in Clause 7.2.5 and Clause 7.2.6, respectively; and (d) the Promoters hereby agree and acknowledge that any Tax liability with respect to any payment pursuant to this Clause 7.2.1(c) shall (X) be the sole and exclusive liability of the Indemnifying Parties, and (Y) not be directly or indirectly borne by the Company or any of the Indemnified Parties.

- 7.2.2 Any Indemnified Party having completely recovered the Losses from any Indemnifying Party in respect of a particular indemnity provided under Clause 7.1 (Right of Indemnification of the Investors), shall not be entitled to make an indemnity claim for the same Losses from the other Indemnifying Parties.
- 7.2.3 Any Indemnified Party shall be entitled to make a Claim for indemnification payment in respect of the following matters, by serving a notice to any of the Indemnifying Parties within the time periods (each, a “**Claim Period(s)**”) as set out below:
- (a) up to the date falling 30 (thirty) months after the Completion Date, for any Claim based upon, arising out of, with respect to, in connection with or by reason of Clause 7.1.1 (except for the Fundamental Warranties, the Company Tax Warranties and Claims with respect to or by reason of Clauses 7.1.2, 7.1.3 and / or 7.1.4);
  - (b) up to the expiry of the period available under Applicable Law, for making any Claim based upon, arising out of, with respect to, in connection with or by reason of a breach of, or any inaccuracy in, the Company Tax Warranties, provided, however, if on or prior to the expiry of such period: (i) a Tax

Notice has been issued by the Tax Authority; (ii) there is a Tax Claim under which payment in full has not been made to the Tax Authority; or (iii) an appeal in relation to a Tax Claim is pending before a Tax Authority or tribunal or a court of competent jurisdiction, then the obligation of the Indemnifying Parties to indemnify the Investors shall continue to be in full force and effect until a final non-appealable irrevocable judgment or an order or ruling has been issued by a Tax Authority or tribunal or a court of competent jurisdiction; and

- (c) at any time, for any Claim based upon, arising out of, with respect to, in connection with or by reason of a breach of any of: (i) the Fundamental Warranties (it being understood that such Claim shall survive indefinitely); and / or (ii) Clauses 7.1.2, 7.1.3 and / or 7.1.4, regardless of such Claims overlapping with any of the foregoing Claim Periods (it being understood that such Claim shall survive indefinitely).

7.2.4 Notwithstanding anything to the contrary in the Transaction Documents, no limitations and / or qualifications of any kind whatsoever (including, for the avoidance of doubt, those set forth in Clause 6.4 or the limitations of liabilities set forth in this Clause 7.2 (Limitation on Liability)) shall apply to any Claim based upon, arising out of, with respect to, in connection with or by reason of any of the:

- (a) MLAC Warranties;
- (b) Fundamental Warranties (subject to the Indemnifying Parties' liability with respect to Claims relating to breach of Fundamental Warranties not exceeding the Investment Amount);
- (c) Company Tax Warranties (save as expressly provided in relation to the Company Tax Warranties in Clause 7.2.3(b)), subject to the Indemnifying Parties' liability with respect to Claims relating to breach of Company Tax Warranties not exceeding the Investment Amount);
- (d) Clauses 7.1.2 and / or 7.1.3 (subject to the Indemnifying Parties' liability with respect to Claims relating to Clauses 7.2.1(a)(ii)(A) – (B) not exceeding the Investment Amount);
- (e) Clause 7.1.4 (save as expressly provided in Clause 7.2.1(c)).

7.2.5 In the event that the Indemnifying Party under this Clause 7 (Indemnification) is the Company, the Company shall duly gross up the indemnity claim amount so that the amounts paid by the Company to any Investor (as applicable) exclude the shareholding of such Investor (as applicable) in the manner as stipulated below:

Grossed-up	=	Amount payable to an Indemnified Party
indemnity		----- X 100
amount payable		

by the Company (100 – the percentage shareholding of the Indemnified Party (i.e., such Investor (as applicable)) in the Company on a Fully Diluted Basis)

7.2.6 For the purposes of this Clause 7.2.6, the percentage shareholding of the Investors in the Company shall be expressed as a number (and not a percentage). Thus, assuming that numeric one hundred (100) in the denominator of the formula above represents one hundred per cent (100%) shareholding of the Company, 50 (Fifty) will represent 50% (Fifty percent) shareholding of the Company and similarly 20 (Twenty) will represent 20% (Twenty percent) shareholding of the Company. To illustrate the formula mentioned above, if the percentage of Equity Shares collectively held by the Investors, calculated on a Fully Diluted Basis, is 10% (Ten per cent.) of the Equity Share Capital and the Loss to the Investors is for INR 100 (Rupees One Hundred only), the payment to be collectively claimed by the Investors from the Company shall be INR 111.11 (Rupees One Hundred And Eleven and Eleven Paise only), which shall constitute INR 100 (Rupees One Hundred only) towards the Loss and INR 11.11 (Rupees Eleven And Eleven Paise) as the grossed up indemnity amount payable by the Company.

7.2.7 If at any time any Government Authority requires any payment to be made by the Company in relation to any notice issued by it (a “**Government Authority Notice**”), such payment (a “**Government Authority Deposit**”) shall be made by the Company to the relevant Government Authority under protest within the time period required to make such payment. In such a case, the Promoters, as the Indemnifying Parties, hereby agree and acknowledge that: (a) if the demand pursuant to such Government Authority Notice (a “**Government Authority Dispute**”) is adversely settled (with the Company being required to make a payment pursuant to an order by the relevant Government Authority) prior to the Investors’ complete exit from the Company, then the Promoters shall, in accordance with the terms of this Agreement, promptly indemnify the Investors; and (b) if such Government Authority Dispute is not resolved prior to the Investors’ triggering their respective exit rights in accordance with the Transaction Documents, then for such Party triggering its exit (other than in relation to a qualified initial public offer), the Promoters shall, in accordance with the terms of this Agreement, indemnify such Party for the difference between (i) the adjusted amount to be received by such Party for the proposed Transfer of its Securities in the Company because of such Government Authority Dispute; and (ii) the non-adjusted amount that would have been received for such Securities had there been no Government Authority Dispute. Without prejudice to the foregoing, if there are any outstanding Tax litigations with respect to, or in connection with, any Goodwill Amortisation (a “**Goodwill Amortisation Dispute**”), and such dispute is not resolved prior to the Investors’ triggering their respective exit rights in accordance with the Transaction Documents, then for such Party triggering its exit (other than in relation to a qualified initial public offer), the Promoters shall, in accordance with the terms of this Agreement, indemnify such Party for the difference between (i) the adjusted amount to be received by such Party for the proposed Transfer of its Securities in the Company because of such

Goodwill Amortisation Dispute; and (ii) the non-adjusted amount that would have been received for such Securities had there been no Goodwill Amortisation Dispute.

- 7.2.8 Notwithstanding anything to the contrary, each Additional Investor shall be entitled to be indemnified for such *pro rata* amount of Losses suffered, incurred or sustained by, or imposed upon such Additional Investor as a result of, arising out of, with respect to, in connection with, or by reason of any inaccuracy in, or breach of, the representations and warranties set out in Clause 6.10, as is proportionate to the amount contributed by such Additional Investor to the Investment Amount; provided, however, only the Investors shall be entitled to bring a Claim with respect to Clause 7 (Indemnification) on behalf of the Additional Investors.

### 7.3 Indemnity Claim Procedure.

- 7.3.1 Subject to the Third Party Claim Procedure as set out in Clause 7.4 (Third Party Claim Procedure) and Clause 7.2 (Limitations on Liability), if applicable, any claim for indemnification under Clause 7.1 (Right of Indemnification of the Investors) (an “**Indemnity Claim**”) shall be made by any Indemnified Party by notice in writing to any of the Indemnifying Parties (such notice, a “**Claim Notice**”) as soon as reasonably practicable; provided, however, that any delay in so notifying the Indemnifying Parties in accordance with Clause 7.3.1 shall not relieve the Indemnifying Parties from any liability or any indemnification obligation under this Clause 7 (Indemnification), unless such delay is the sole and direct cause that demonstrably increases the Losses suffered and, in case of such increase in the Losses, the Indemnifying Party shall be relieved only in relation to such incremental Losses that would not have occurred but for such delay. The Claim Notice served in accordance with this Clause 7.3.1 shall set out the relevant details in respect of such Indemnity Claim and the explanatory material that specifies the basis for such Indemnity Claim, in each case, to the extent then known to such Indemnified Party.
- 7.3.2 Within 15 (fifteen) Business Days of receipt of a Claim Notice from any Indemnified Party, the Indemnifying Parties shall have the right to object to the amount of the Indemnity Claim for indemnification set forth in such Claim Notice by notifying such Indemnified Party with adequate supporting evidence of the objection. If the Indemnifying Parties does not so object within such period, it shall be conclusively deemed to have agreed to the matters set forth in such Claim Notice. If the Indemnifying Parties deliver an objection notice under, and in compliance with, this Clause, either Party may, at their option, seek resolution of the dispute by proceeding under the dispute resolution process set forth under Clause 13 (Dispute Resolution). The indemnity payment shall be made by the Indemnifying Parties within 30 (thirty) Business Days of any Indemnified Party issuing a Claim Notice (or within 60 (sixty) Business Days, where the Promoters exercise their rights under Clause 7.7 (Liquidity to the Promoters) of this Agreement) for all matters agreed, or deemed to have been agreed, by any of the Indemnifying Parties, including in accordance with this Clause 7.3.2, and, for any objections raised by the Indemnifying Parties (if applicable), within

60 (sixty) Business Days after the resolution, including in accordance with the foregoing sentence, of such objection (collectively, the “**Indemnity Pay-out Period**”).

#### 7.4 **Third Party Claim Procedure.**

- 7.4.1 An Indemnified Party must notify the Company and any Indemnifying Party in writing, within 30 (thirty) Business Days after receiving a notice of any potential or threatened Claim (and, where such claim is pursuant to a notice received by the Company or any Promoter, the Company or the relevant Promoter (as the case may be) shall forward the same to the TPG Investor) within 5 (five) Business Days from a Third Party, which constitutes, or may reasonably be expected to result in, an Indemnity Claim (a “**Third Party Claim**”). Such notice shall specify: (a) the facts giving rise to the Third Party Claim, as understood by the Indemnified Party; and (b) the amount of such Third Party Claim, if and to the extent then known by such Indemnified Party, provided, however, that any delay in so notifying the Indemnifying Parties shall not relieve the Indemnifying Parties from any liability or indemnification obligation under this Clause 7 (Indemnification) unless such delay is the sole and direct cause that demonstrably increases the Losses suffered and, in case of such increase in the Losses, the Indemnifying Party shall be relieved only in relation to such incremental Losses that would not have occurred but for such delay.
- 7.4.2 An Indemnifying Party shall have the first right to, at its option and on its own expense, assume and control the defence of the Third Party Claim if it gives a written notice of its intention to do so to the Indemnified Party within a period of 15 (fifteen) Business Days from the date of receipt of notice of the Third Party Claim, except that the Indemnifying Party contesting the Third Party Claim shall not be so entitled where: (a) any Indemnified Party reasonably believes that a determination with respect to any Third Party Claim would have an adverse effect on any Indemnified Party’s reputation or future business prospects; (b) the Third Party Claim relates to a matter covered under any of the MLAC Warranties; or (c) the Third Party Claim seeks an injunction or equitable relief against any of the Indemnified Parties.
- 7.4.3 If an Indemnifying Party elects to assume control over the defence of any Third Party Claim in accordance with Clause 7.4.2: (a) the Indemnified Parties shall co-operate, at the Indemnifying Parties’ sole cost and expense, with the Indemnifying Parties and their legal advisors; (b) the Indemnifying Parties shall consult with the Indemnified Parties in relation to all matters regarding such Third Party Claims including with respect to strategy, engaging counsel (who must be a law firm of good standing and repute), and legal advice; and (c) the Indemnifying Parties shall, as promptly as reasonably practicable, keep the Indemnified Parties fully informed as to any developments in respect of such Third Party Claim and shall not settle such Third Party Claim unless it obtains the prior written consent of the TPG Investor.
- 7.4.4 If an Indemnifying Party, having elected to assume control of the defence to the Third Party Claim, thereafter fails to defend the Third Party Claim diligently and in good faith (as determined by the TPG Investor), any Indemnified Party (as nominated by the TPG Investor) shall be entitled to take over the control of such Third Party Claim. In



such a case, the Indemnifying Parties shall fully co-operate with the Indemnified Parties and their respective legal advisors in connection with such Third Party Claim (cost and expense of which shall be borne in the manner set out in Clause 7.4.6 below). Notwithstanding anything to the contrary, if any Indemnified Party does not assume control of any Third Party Claim, then it shall be conclusively deemed that the Indemnifying Parties do not object to such Third Party Claim, and the Indemnified Parties shall be required to indemnify the Indemnified Parties for all matters in relation to, or connected with, such Third Party Claim as per the applicable Indemnity Pay-out Period, as if the Indemnifying Party has no objection to such Indemnity Claim.

- 7.4.5 Notwithstanding anything to the contrary in any of the Transaction Documents: (a) the Indemnifying Parties shall immediately pay all amounts (including any applicable interest and penalty) required to be paid under any Third Party Claim, including Tax related Claims, by any Governmental Authority, as and when requested by such Governmental Authority (unless otherwise disputed by the Indemnifying Parties, if so permitted under Applicable Law), and if any Indemnified Party pays such amounts, then the Indemnifying Parties shall pay such amounts to such Indemnified Party as per the applicable Indemnity Pay-out Period, without any further delay, dispute or challenge; and (b) if any of the Indemnifying Parties fails to strictly comply with such obligations (unless otherwise disputed by the Indemnifying Parties or permissible under Applicable Law), then the Indemnifying Parties shall not be entitled to, unless required by any Indemnified Party, defend any such Third Party Claim, but shall remain liable for indemnification of all resulting Losses.
- 7.4.6 If an Indemnified Party controls the defence of any Third Party Claim, such Indemnified Party shall obtain the prior written consent of any Indemnifying Party (which shall not be unreasonably conditional, withheld or delayed) before entering into any settlement of such Third Party Claim only if and to the extent such settlement does not expressly and unconditionally release the Indemnifying Party from all liabilities (in law, equity or otherwise) with respect to such Third Party Claim. Further, if an Indemnified Party controls the defence of any Third Party Claim, and a court or a Governmental Authority passes an adverse decision in relation to such a defence, then the Indemnifying Party shall have no obligation to pay the legal fees associated with such defence, provided, however, the Indemnifying Parties shall be required to indemnify the Indemnified Parties for all other Losses with respect to such Claim.
- 7.4.7 Each Party shall, and shall cause its Representatives to, cooperate with and assist the Indemnified Parties or the Indemnifying Parties, as the case may be, in connection with any Third Party Claims, including attending conferences, discovery proceedings, hearings, trials and appeals and furnishing records, information and testimony, as may reasonably be requested; provided, that each Party shall use its reasonable best efforts to preserve the confidentiality of all Confidential Information in respect of any Third Party Claims of which it has assumed the defence.
- 7.4.8 Each Indemnifying Party, excluding the Company, hereby waives any and all rights, whether in law, equity or otherwise, relating to indemnification or subrogation against

the Company in respect of any indemnification payment made to the Indemnified Parties.

- 7.4.9 To the extent any indemnification payment by the Indemnifying Parties pursuant to this Clause 7 (Indemnification) is subject to receipt of Consents or Approvals, the Indemnifying Parties shall use their best efforts to obtain all such Approvals / Consents and shall make all applications and take all steps required to obtain the same.
- 7.5 Notwithstanding anything to the contrary herein: (a) an Indemnified Party shall have the right to nominate any Person except a Competitor (in their sole discretion), as its nominee (also, an “**Indemnified Party**”) for the purposes of: (i) bringing a Claim in accordance with the terms of this Agreement; (ii) receiving any amounts payable by the Indemnifying Parties; and (iii) receiving any Securities from, or belonging to, any of the Promoters; and (b) the Indemnifying Parties acknowledge and agree that any payments to be made pursuant to this Clause 7 (Indemnification) are not in the nature of a penalty, but merely reasonable compensation for the Loss that would be suffered, and, therefore, each Indemnifying Party waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.
- 7.6 **Funding of Indemnity.** Each Promoter hereby agrees and acknowledges that such Promoter shall be jointly and severally liable with the other Promoter(s) for all their (individual and collective) obligations under the Transaction Documents. It is, however, agreed that, notwithstanding anything to the contrary contained in the Transaction Documents, in no event shall the personal assets of the Promoters be affected for recovery of any Losses incurred by the Indemnified Parties, except for the assets of such Promoter or its Affiliates related to, or connected with, or acquired using, directly or indirectly; (a) any of the Securities of the Company or AI; or (b) any cash received by, or repatriated to, such Promoter or its Affiliates, including by way of distributions, dividends or buy-back, or any other Transfer, of any Securities of the Company or AI held by such Promoter or its Affiliates, which, in each case, shall be: (i) exploited by such Promoter to satisfy in full all its obligations under the Transaction Documents; and (ii) at all times, be available to the Investors, if required and without prejudice to any of the other remedies available to such Parties, as recourse against any of the Promoters for breach of their obligations under the Transaction Documents.
- 7.7 **Liquidity to the Promoters.** Subject to Clause 8.3 (Investors’ First Refusal Right) of the Shareholders’ Agreement, each Promoter shall have the right to arrange for funds for the specific purposes of meeting its indemnity obligations under this Agreement by Transferring the Equity Securities held by such Promoter to any Third Party, provided, such Third Party executes a Deed of Adherence in the form set out in **Error! Reference source not found.** (Form of Deed of Adherence) of the Shareholders’ Agreement.
- 7.8 **Non-Recourse.** Notwithstanding anything that may be expressed or implied in this Agreement, no recourse under this Agreement shall be had against any current or future Representatives of the Investors, or any current or future, direct or indirect shareholder, member or other beneficial owner of the Investor or any of their respective Investors’ Representatives (collectively, the “**Non-Liable Persons**”), whether by the enforcement of any assessment or by any statute, regulation or other Applicable Law, it being expressly agreed

and acknowledged that no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by any Representative of the Investors for any obligation of the Investors under this Agreement for any Claim based on, in respect of or by breach of reason of such obligations of their creation.

- 7.9 **Release of Claims.** With effect from the Completion Date, each of the Promoters, acting for themselves (each, a “**Releasing Party**”), in respect of any matters, events or circumstances prior to the Completion Date: (a) release and absolutely forever discharge each of the Company and each of its respective officers, directors, shareholders, Affiliates and employees (each, a “**Released Party**”) from and against all Released Matters; and (b) confirm that no dues or Claims are or will be payable or obligations will be due from the Released Parties to any Releasing Party, including, any Claims under any agreements subsisting between such Parties as on the date hereof, whether as indemnity or otherwise.

## 8. **CONFIDENTIALITY.**

- 8.1 Each Party shall (and shall ensure that each of its Representatives to the extent they have received Confidential Information) maintain Confidential Information in confidence and not disclose Confidential Information to any Person, except as: (a) this Clause 8 (Confidentiality) permits; or (b) the non-disclosing Party approves in writing.

- 8.2 Clause 8.1 shall not prevent the disclosure of Confidential Information by any Party or its Representatives:

- 8.2.1 if such disclosure is required by any Governmental Authority pursuant to Applicable Law having applicable jurisdiction to which that Person is subject (provided that, to the extent reasonably practicable and legally permissible, the disclosing Party shall first inform the other Parties of its intention to disclose such information and make reasonable efforts to take into account the reasonable comments of the other Parties in relation to the timing, form and content of such disclosure);
- 8.2.2 if such disclosure is of Confidential Information which was lawfully in the possession of that Person (as evidenced by written records) without any obligation of secrecy prior to it being received or held;
- 8.2.3 if such disclosure is of Confidential Information which has, previously become publicly available, other than through a breach of that Person’s confidentiality undertakings;
- 8.2.4 if such disclosure is required for the purpose of any arbitral or judicial proceedings arising out of this Agreement (or any other Transaction Document);
- 8.2.5 in the case of an Investor, to any providers of finance (equity and debt) and its professional advisors, provided that such Investor shall inform such persons of the confidential nature of such information and ensure that such persons are bound by confidentiality requirements no less stringent than those set out in this Agreement;
- 8.2.6 in the case of the TPG Investor, to any actual and / or potential limited partners or investors in the TPG Investor or any of its Affiliates, provided such limited partners or

prospective investors are advised of the confidential nature of such information and are subject to typical obligations of confidentiality for investors in private equity funds; or

8.2.7 if and to the extent required in connection with any assignment permitted by this Agreement.

8.3 Each Party undertakes that it (and its Affiliates) shall only disclose Confidential Information to its Representatives if it is reasonably required for purposes connected with this Agreement and only if such Representatives are informed of the confidential nature of the Confidential Information.

8.4 In the event this Agreement terminates for any reason and the Transactions are not implemented, each Party shall, on written demand of the other Party, immediately return (or destroy) all Confidential Information in relation to such Party, together with any copies in their possession.

## 9. **CONFLICT WITH OTHER TRANSACTION DOCUMENTS.**

With respect to the subject matter herein, in the case of any discrepancy or conflict between the provisions of this Agreement and any of the other Transaction Documents, the provisions of this Agreement shall prevail over those of the other Transaction Documents, and the Parties shall ensure that the relevant provisions in the other Transaction Documents are promptly amended, to the extent permitted by Applicable Laws, in order to conform to this Agreement.

## 10. **NOTICES.**

10.1 **Service of Notice.** All notices or other communications to be given under this Agreement shall be made in writing and by letter, fax or email (save as otherwise stated) in the English language and shall be deemed to be duly given or made: (a) in the case of personal delivery, at the time that its receipt is signed for, whether or not the person signing for such receipt has authority to do so; (b) in the case of fax transmission, at the time that a transmission report is generated by the sender's fax machine confirming that all pages were successfully transmitted to the relevant number specified in Clause 10.2 (Details for Notices); and (c) in the case of email transmission, at the time the e-mail is sent provided no notification is received by the sender that the e-mail is undeliverable.

10.2 **Details for Notices.** The details for notices for the purpose of Clause 10.1 (Service of Notice) are as follows:

### **If to the TPG Investor:**

Address	:	80 Raffles Place, #15-01 UOB Plaza 1, Singapore 048624
Attention	:	Francis Woo
Fax	:	(+65) 63909-5001
Email	:	fwoo@tpg.com
Copy to	:	Nicholas Kay (nkay@tpg.com)

**If to the QRG Investor:**

Address : QRG Towers, 2D, Sector 126, Expressway, Noida-201304, Uttar Pradesh, India  
Attention : Anil Rai Gupta  
Fax : (+91) 1203331100  
Email : investment@havells.com

**If to Rajiv:**

Address : SV-II, Flat Number 4FF, Eldeco Eutopia, Sector 93A, Noida, Uttar Pradesh-201301  
Attention : Rajiv Goel  
Fax : (+91) 1203331100  
Email : rajivagoel@gmail.com

**If to Rajesh:**

Address : 4A, Under Hill Lane, Civil Lines, Delhi-110054  
Attention : Rajesh Kumar Gupta  
Fax : (+91) 1203331100  
Email : rgmg.inv@gmail.com

**If to the Promoters:**

Address : D-1, Udyog Nagar, Main Rohtak Road, New Delhi –110041  
Attention : Somya Gulati  
Fax : Not available  
Email : ea@campusshoes.com

**If to the Company:**

Address : D-1, Udyog Nagar, Main Rohtak Road, New Delhi –110041  
Attention : Pramod Sharma  
Fax : Not available  
Email : vp@campusshoes.com

- 10.3 **Change of Address.** A Party may change or supplement the notice details given above, or designate additional notice details, for purposes of this Clause 10 (Notices), by giving the other Party written notice of the new notice details in the manner set forth above.

**11. MISCELLANEOUS.**

**11.1 Announcements.**

- 11.1.1 No formal or informal public announcement or press release, which makes reference to any of the Parties and / or the terms and conditions of the Transaction Documents or

any of the matters referred to therein, shall be made or issued by or on behalf of any of the Parties without the prior written approval of each of the Parties.

- 11.1.2 If any of the Parties have an obligation to make or issue any announcement required by Applicable Law or by any Governmental Authority: (a) such announcement shall only be made by it to the extent required by Applicable Laws or the relevant Governmental Authority; and (b) the Party required to make or issue such announcement shall, to the extent reasonably practicable, give the other Parties every reasonable opportunity to comment on the announcement or release before it is made or issued, which comment(s) shall, to the extent permissible under Applicable Laws, be given effect to by the Company, the Promoters or the Investors (as the case may be).
- 11.2 **Costs and Expenses.** All stamp duty and registration costs in connection with the execution of this Agreement and other Transaction Documents shall be borne by the Company. The Parties agree that each Party shall bear and pay their own costs and expenses incurred in connection to the preparation, negotiation and execution of this Agreement and other Transaction Documents.
- 11.3 **Relationship of the Parties.** The Parties are independent contractors. Neither Party shall have any right, power or authority to enter into any agreement for or on behalf of, or incur any liability on behalf of, or to otherwise bind, the other Party, except as specifically provided by this Agreement. Nothing in this Agreement, nor in any of the Transaction Documents, shall be interpreted or construed to create an association, or partnership or joint venture among the Parties, to deem them to be Persons acting in concert or to impose any liability attributable to such relationship upon any of the Parties nor, unless expressly provided otherwise, to constitute any Party as the agent of the other Party for any purpose.
- 11.4 **Entire Agreement.** This Agreement and the other 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, either oral or written among the Parties in respect of the subject matter hereof.
- 11.5 **Further Assurances.** The Parties shall promptly and duly execute and deliver all such further instruments and documents, and do or procure to be done all such acts or things, as may be required by Applicable Laws or as may be necessary or reasonably required by the other Parties to implement and give effect to the terms of this Agreement and the other Transaction Documents.
- 11.6 **Assignment.** The Investors shall be entitled to assign and transfer all of their rights, obligations and interests under this Agreement to any of their respective Affiliates or any other Person without the consent of any other Party, provided, however, that: (a) subject to Clause 7.5 (Indemnification), the Investors may only assign their rights and obligations under this Agreement to any Person other than an Affiliate upon the Transfer of the Equity Shares held by an Investor to such Person; and (b) any transfer and assignment by the QRG Investor and / or Additional Investors to any Person shall require the TPG Investor's prior written consent.

- 11.7 **Severability.** If for any reason whatsoever, any provision of this Agreement is, or becomes, or is declared by a court of competent jurisdiction to be, invalid, illegal or unenforceable, then: (a) such invalidity, illegality or unenforceability shall not affect any other part of this Agreement; and (b) the Parties shall negotiate in good faith, to agree on new provisions to substitute such provisions, which new provisions shall, as nearly as practicable, leave the Parties in the same position to that which prevailed prior to such invalidity, illegality or unenforceability.
- 11.8 **Waivers.**
- 11.8.1 No waiver of any right under this Agreement shall be effective, unless in writing and signed by the Party against whom such waiver is to be effective. Unless expressly stated otherwise, a waiver shall be effective only in the circumstances for which it is given. No failure or delay by the Parties in exercising any right or remedy provided by Applicable Laws or pursuant to this Agreement shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time, and no single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy. Neither the waiver by any of the Parties of a breach of or a default under any of the provisions of this Agreement or the failure by any of the Parties, on one or more occasions, to enforce any of the provisions of this Agreement or to exercise any right or privilege hereunder, shall be construed as a waiver of any other breach or default of a similar nature, or as a waiver of any of such provisions, rights or privileges hereunder.
- 11.8.2 Notwithstanding anything contained in this Agreement or in any of the Transaction Documents, the rights, powers, privileges and remedies herein provided are independent, cumulative, may be exercised as often as such Party considers appropriate and are in addition to (and not substitution of) and without prejudice to all its other rights, powers, privileges and remedies under Applicable Laws or otherwise.
- 11.9 **Amendments.** This Agreement may not be amended, modified or supplemented, except by a written instrument executed by each of the Parties.
- 11.10 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which will constitute one and the same instrument. The delivery of signed counterparts by facsimile transmission or electronic mail in "portable document format" ("pdf") shall be as effective as signing and delivering the counterpart in person.
- 11.11 **Absence of Third Party Rights.** No provision of this Agreement is intended, or will be interpreted, to provide any right to, or to be enforceable by, any Person who is not a party to this Agreement, and all provisions hereof will be personal and solely among the Parties, except that the provisions of Clause 7 (Indemnification) shall be for the benefit of, and enforceable by, any Indemnified Party and the provisions of Clause 11.6 (Assignment) of this Agreement shall be for the benefit of, and enforceable by any transferee / assignee (who is not a Competitor) of the Investors as mentioned therein.

- 11.12 **Payments in Violation of Applicable Laws.** Notwithstanding any other provision of this Agreement and / or other Transaction Documents to the contrary, nothing herein shall: (a) require the Investors and the Additional Investors to make any payment that it reasonably believes will constitute a violation of Applicable Law; or (b) prohibit the Investors from reporting any violation of Applicable Law to law enforcement officials.
- 11.13 **Independent Rights.** Each of the rights of the Parties under this Agreement are independent, cumulative and without prejudice to all other rights available to them, and the exercise or non-exercise of any such rights shall not prejudice or constitute a waiver of any other right of the Party, whether under this Agreement or otherwise.
- 11.14 **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, suit for specific performance or such other equitable relief as a court of competent jurisdiction may deem necessary or appropriate to restrain the other Party from committing any violation or enforce the performance of the covenants, representations and obligations contained in this Agreement. These injunctive remedies are cumulative and are in addition to any other rights and remedies the Parties may have under Applicable Law or in equity, including a right for damages.
- 11.15 **Non-Exclusive Remedies.** The rights and remedies provided herein are cumulative and none is exclusive of any other, or of any rights or remedies that any Party may otherwise have at law or in equity. The rights and remedies of any Party based upon, arising out of or otherwise in respect of any inaccuracy or breach of any representation, warranty, covenant, undertaking or agreement or failure to fulfil any condition shall, in no way, be limited by the fact that the act, omission, occurrence or other state of facts upon which any claim of any such inaccuracy or breach is based may also be the subject matter of any other representation, warranty, covenant or agreement as to which there is no inaccuracy or breach.

## 12. **GOVERNING LAW.**

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

## 13. **DISPUTE RESOLUTION.**

- 13.1 The Parties agree to negotiate in good faith to resolve a dispute, controversy, claim or disagreement of any kind arising out of or in connection with this Agreement or any of the other Transaction Documents, including any dispute regarding its existence, validity or termination ("**Dispute**"). If the negotiations do not resolve the Dispute to the reasonable satisfaction of the Parties within 15 (fifteen) days (the "**Resolution Period**"), then each disputing Party shall nominate a Person (being a senior decision maker) as its representative. These representatives shall at a meeting (the "**Resolution Meeting**,"") which shall be held on the earlier of: (a) 10 (ten) days from the end of the Resolution Period; or (b) 15 (fifteen) days of a written request by any Party to call a Resolution Meeting (the "**Final Resolution Period**,"") meet in person and alone (except for one assistant for each Party) and shall attempt



in good faith to resolve the Dispute during the Resolution Meeting in the Final Resolution Period.

- 13.2 If a Party fails to nominate a representative before the end of the Final Resolution Period or, if the Dispute cannot be resolved by such Persons in the Resolution Meeting before the end of the Final Resolution Period, the Dispute or differences, shall be referred to and finally resolved through arbitration by an arbitral tribunal consisting of 3 (three) arbitrator(s) (the “**Arbitral Tribunal**”) in accordance with the SIAC Rules, which SIAC Rules are deemed to be incorporated by reference into this Clause 13 (Dispute Resolution). The claimant(s) shall nominate 1 (one) arbitrator and the respondent(s) shall nominate 1 (one) arbitrator. The 2 (two) arbitrators so nominated shall, jointly, nominate the third arbitrator within 30 (thirty) calendar days of their appointment by the President (as this term is defined in the SIAC Rules). The third arbitrator shall act as the presiding arbitrator of the Arbitral Tribunal.
- 13.3 The decision of the Arbitral Tribunal shall be final and binding on the Parties. The arbitration proceedings shall be in English language. The seat of arbitration shall be Singapore, and the venue shall be New Delhi.
- 13.4 By agreeing to arbitration, the Parties do not intend to deprive any court of competent jurisdiction of its ability to issue any form of provisional remedy, including a preliminary injunction or attachment in aid of the arbitration, or order any interim or conservatory measure. A request for such provisional remedy or interim or conservatory measure by a Party to a court shall not be deemed a waiver of this agreement to arbitrate. The Parties expressly agree and confirm that the Parties shall be entitled to seek interim reliefs from the courts of India.
- 13.5 The Parties shall maintain strict confidentiality with respect to all aspects of the arbitration and shall not disclose the fact, conduct or outcome of the arbitration to any non-parties or non-participants, except to the extent required by Applicable Law, court order or to the extent necessary to recognise, confirm or enforce the final award in the arbitration, without the prior written consent of all parties to the arbitration.
- 13.6 Under the SIAC Rules, each Party agrees to the consolidation of any 2 (two) or more arbitrations commenced pursuant to this Agreement or any of the Transaction Documents into a single arbitration.

#### 14. **TERM AND TERMINATION.**

- 14.1 This Agreement will remain in full force and effect, until terminated at any time:

14.1.1 by the mutual written consent of all the Parties;

14.1.2 by the TPG Investor, by written notice to the other Parties, if the Promoters and / or Company shall have breached or failed to perform any of their respective covenants, obligations, undertakings, terms or agreements set forth in this Agreement or any of the Transaction Documents; or

- 14.1.3 by either Party, if the Completion is not completed within the timelines set out in Clause 4.1.
- 14.2 In the event this Agreement is terminated, Clauses 1 (Definitions and Interpretation), 6 (Representations and Warranties), 7 (Indemnification), 13 (Dispute Resolution), 8 (Confidentiality and Non-Disclosure), 10 (Notices), 12 (Governing Law) and 11.2 (Costs and Expenses) shall survive any termination of this Agreement.
- 14.3 Any termination of this Agreement shall be, without prejudice to any rights and obligations accrued or incurred prior to the date of such termination. Further, the right to terminate shall be without prejudice to all the rights and remedies under Applicable Law available to any Party, including the right to seek, as an alternative to termination, specific performance of obligations under this Agreement (as applicable) or terminate this Agreement and seek Losses for the breach from any Party committed during the period prior to such termination.

**[FOLLOWING THIS PAGE IS THE EXECUTION PAGE]**

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE DULY EXECUTED AND DELIVERED BY THEIR DULY AUTHORISED REPRESENTATIVES AS OF THE DAY AND YEAR HEREINABOVE WRITTEN

Signed and delivered for and on behalf of

Campus Activewear Private Limited




By: Nikhil Aggarwal

Title: Director

Authorised by resolution of the board of directors dated August 29, 2017

Signed and delivered by  
Hari Krishan Agarwal



Signed and delivered by  
Nikhil Aggarwal



Signed and delivered for and on behalf of

QRG Enterprises Limited




By: Anil Rai Gupta // Surjit Kumar Gupta //  
Ameet Kumar Gupta // Rajiv Goel


Title: Director

Authorised by resolution of the board of directors dated August 10, 2017

Signed and delivered by  
Rajesh Kumar Gupta



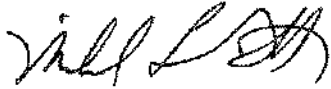
Signed and delivered by  
Rajiv Goel



IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT  
TO BE DULY EXECUTED AND DELIVERED BY THEIR DULY AUTHORISED  
REPRESENTATIVES AS OF THE DAY AND YEAR HEREINABOVE WRITTEN

Signed and delivered for and on behalf of

TPG GROWTH III SF PTE. LTD.

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

By: Michael LaGatta

Title: Authorised Signatory

**SCHEDULE 1**  
**DETAILS OF THE PROMOTERS**

<b>Name of the Promoter</b>	<b>Residency</b>	<b>Address</b>
Nikhil Aggarwal	Indian	42/42 West Punjabi Bagh, New Delhi - 110026
Hari Krishan Agarwal	Indian	42/42 West Punjabi Bagh, New Delhi - 110026

**SCHEDULE 2**  
**COMPANY**

**CIN:** U74120DL2008PTC183629

**DATE OF INCORPORATION:** September 24, 2008

**REGISTERED ADDRESS:** D-1, Udyog Nagar, Main Rohtak Road, New Delhi-110041

**AUTHORISED SHARE CAPITAL:** INR 1,535,000,000 (USD 23,615,385) divided into 500,000 equity shares of face value of INR 10 each, and 153,000,000 preference shares of face value INR 10 each

**ISSUED PAID UP SHARE CAPITAL:** INR 1,530,800,000 (USD 23,550,769) divided into 500,000 equity shares of face value INR 10 each and 153,000,000 preference shares of face value INR 10 each.

**SCHEDULE 3**  
**CURRENT CAPITAL STRUCTURE**

	<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Shareholding</b>
<b>Equity Shares</b>			
1.	Nikhil Aggarwal	16,000	20%
2.	Hari Krishan Agarwal	64,000	80%
<b>Total</b>		<b>80,000</b>	<b>100%</b>
<b>Preference Shares</b>			
1.	Hari Krishan Agarwal	153,000,000	100%

**SCHEDULE 4**  
**CAPITAL STRUCTURE FOLLOWING INVESTMENT**

	<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Shareholding</b>
<b>Equity Shares</b>			
1.	Nikhil Aggarwal	13,381	13.75%
2.	Hari Krishan Agarwal	64,000	65.75%
3.	TPG Growth III SF Pte. Ltd	15,958	16.40%
4.	QRG Enterprises Limited	3,813	3.92%
5.	Rajiv Goel	60	0.06%
6.	Rajesh Kumar Gupta	119	0.12%
<b>Total</b>		<b>97,331</b>	<b>100%</b>
<b>Preference Shares</b>			
1.	Hari Krishan Agarwal	153,000,000	100%



**SCHEDULE 5**  
**DEFINITIONS AND INTERPRETATIONS**

1. For purposes of this Agreement, the following terms have the meanings specified in the indicated Clause, Schedule or Paragraph of the Schedule of this Agreement:

**“Accounts”** means the consolidated (together with AI): (a) audited Financial Statements of the Company for each of the Financial Years ended March 31, 2015, March 31, 2016 and March 31, 2017; (b) the Pro-Forma Consolidated Accounts; and (c) unaudited financial statements of the Company for the period between April 1, 2017 and June 30, 2017 (both dates being included), in each case, such financial statements comprising of a balance sheet, a profit and loss account and a cash flow statement together with any notes, reports, statements or documents included in or annexed to them, including the auditors’ and directors’ reports;

**“Accounts Date”** means March 31, 2017;

**“Act”** means the Companies Act, 2013, as amended from time to time, read with the applicable rules, orders, circulars and notifications prescribed thereunder;

**“Affiliate”** means: (a) in relation to any specified Person that is not a natural Person, any other Person, directly or indirectly, Controlled by, Controlling, or under common Control with, such specified Person; or (b) in relation to any specified Person that is a natural Person, any Relative of such specified Person and any other Person Controlled, directly or indirectly, by such Person and / or his Relatives. Without limiting the generality of the foregoing, the term “Affiliate” in relation to the TPG Investor shall include: (i) any other Person, including any fund, trust, partnership, or co-investment vehicle, that is managed or advised by the TPG Investor, respectively, or by any person which, directly or indirectly, Controls, is Controlled by, or is under common Control with, the TPG Investor, respectively (collectively, the **“TPG Investor Funds”**); and (ii) any investor in any TPG Investor Funds (or any Affiliate of such investor), provided that, in relation to the TPG Investor, the term Affiliate shall exclude a Competitor;

**“Affirmative Vote Matter”** shall have the meaning set out in the Shareholders’ Agreement;

**“Agreement”** means this Share Subscription and Purchase Agreement and includes any recitals, schedules, annexes, or exhibits that may be annexed to this Agreement and any amendments made to this Agreement by all the Parties in writing;

**“AI Baddi Facility”** means the manufacturing plant of AI situated on the leasehold property at Plot No.62, HIMUDA, Industrial Area Bhatolikalan, Baddi, District: Solan-173205, Himachal Pradesh leased from HIMUDA;

**“Anti-Corruption Laws”** means the United States Foreign Corrupt Practices Act of 1977 (as amended), the United Kingdom Bribery Act 2010 (as amended), the (India) Prevention of Corruption Act, 1988 (as amended), and any other anti-corruption or anti-bribery laws and regulations applicable to the Target Group Entities and the Promoters;

**“Applicable Law(s)”** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, license, treaty, code, approval from the concerned authority, government resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question, and includes the Anti-Corruption Laws, the Money-Laundering Laws and Sanctions Laws and Regulations;

**“Approval(s)”** means all permissions, approvals, consents, licenses, orders, decrees, authorizations, authentications of, or registrations, qualifications, designations, declarations or filings with or notifications, exemptions or rulings to or from any Governmental Authority required under any statute or regulation, if any, for the completion of the Transactions (including approval from the RBI or the CCI, if applicable);

**“Assets”** means all the assets (excluding the Udyog Nagar Facility) (whether tangible or intangible), properties (whether moveable or immovable) used in the Business, including each Target Group Entity’s right, title and interest in such assets, properties and rights;

**“Board”** means the board of directors of the Company from time to time;

**“Business”** means the manufacturing, sale and distribution of casual and sports footwear undertaken by the Target Group Entities;

**“Business Day”** means a day (other than a Saturday or Sunday) on which banks are generally open in India, New York and Singapore for normal banking business;

**“Business Plan”** means the detailed business and financing plan for the Business, prepared on an annual basis, which includes the annual budget, comprising, without limitation, profit and loss account, balance sheet and cash flow statements, projected revenues, costs, operating and capital expenditures, and financing requirements of the Target Group Entities for the on-going Financial Year and which includes details on the amount and timing of debt financing, if any, the current and future business strategy, as may be mutually agreed upon between the Promoters and the TPG Investor;

**“CCI”** means the Competition Commission of India;

**“Charter Documents”** means and includes: (a) with respect to a company, the memorandum and articles of association of such company, as amended from time to time; and (b) with respect to a firm, the deed of partnership;

**“Claim”** means, in relation to a Person, any claim, including demand, legal action, cause of action, liability, proceeding, claim in relation to a Loss, suit, litigation, prosecution, mediation or arbitration (and also includes any notice received in relation thereto), whether direct or indirect, actual or potential, oral or in writing, in law or in equity or otherwise, known or unknown, civil, criminal, administrative or investigative, made, or brought by or against such Person;

**“Company Fundamental Warranties”** means Paragraphs 1.1, 1.2, 1.5, 1.9, 1.12, 1.13, 1.14, 1.16, 1.17, 1.18 and 1.19 of Part A of Schedule 7 (Warranties);

**“Company Tax Warranties”** means the representations and warranties of the Target Group Entities set out in Paragraph 11 of Part A of Schedule 7 (Warranties);

**“Competitor”** means any Person: (a) engaged in the manufacturing, sale and distribution of casual and sports footwear; and (b) whose annual turnover in the preceding Financial Year was at least INR 1000,000,000 (Rupees one billion) from such business activities, other than a Person: (i) engaged in such competing business outside India; (ii) who has not invested in such competing business in India; or (iii) who is a purely financial investor in a Competitor. For the purposes of this definition, ‘financial investor’ shall mean any Person who is only engaged in the business of making investments in a company in order to gain a financial return;

**“Completion Certificate”** means a certificate delivered by the Promoters and the Company, to each Investor, substantially in the form set out in Schedule 14 (Format of Completion Certificate);

**“Compliance Code”** has the meaning ascribed to the term under Clause 7.4.2 (Compliance with Laws) of the Shareholders’ Agreement;

**“Compliance Law”** means, collectively, Anti-Corruption Laws, the Money-Laundering Laws and the Sanctions Laws and Regulations;

**“Confidential Information”** means: (a) any information concerning the Business, organization, business, technology, intellectual property, trade secrets, know-how, finance, transactions or affairs of the Target Group Entities (including the existence of the Transaction Documents, the subject matter and content of the Transaction Documents and negotiations, process and proposals / negotiated terms included in / excluded from the Transaction Documents), any Affiliate, any company with which the Company and / or its Affiliates cooperate pursuant to contractual arrangements or any Party or any of its Affiliates or any of their respective Representatives (whether conveyed in written, oral or in any other form and whether such information is furnished before, on or after the Completion Date); (b) any knowledge and information shared between the Parties whether relating to the management, operation and / or financial condition / projections of any Party, including the Business Plan, if any, and operating plans of the Target Group Entities (or in relation to the Business) from time to time; (c) any information or materials prepared by a Party or its Representatives that contains or otherwise reflects, or is generated from, Confidential Information; and (d) any information whatsoever concerning or relating to (i) any dispute or Claim arising out of or in connection with the Transaction Documents; or (ii) the resolution of such Claim or dispute;

**“Consent(s)”** means any approval, consent, ratification, waiver, notice or other authorization of or from or to any Third Party, including banks and financial institutions (other than an Approval) that may be required for: (a) the execution of the Transaction Documents; and / or (b) the consummation of the Transactions;

**“Contract”** means, with respect to a Person, any agreement, contract, obligation, promise, undertaking, subcontract, lease, understanding, instrument, note, warranty, insurance policy, or benefit plan entered into by such Person;

**“Control”** (including the terms **“Controlled by”** or **“under common Control with”**) means, in respect of a Person: (a) the direct or indirect beneficial ownership of, or the right to vote in respect of, directly or indirectly, more than 50% (fifty percent) of the voting shares or securities of such Person; (b) the power to control the majority of the composition of the board of directors of such Person; and / or (c) the power to create or direct the management or policies of such Person by contract or otherwise or any or all of the above;

**“Dehradun Facility”** means the manufacturing plant succeeded by the Company from NI pursuant to the Business Succession which is situated on leasehold property at plots bearing numbers C-9 and C-10, Industrial Area, Selaqui, Dehradun, Uttarakhand, leased from the State Infrastructure & Industrial Development Corporation of Uttarakhand Limited (formerly U.P. State Industrial Development Corporation Limited);

**“Director”** means the director(s) of the Company appointed on the Board from time to time;

**“Disclosure Letter”** means the disclosure letter, in the Agreed Form, delivered by the Promoters to the Investors on the Agreement Date qualifying the Warranties (except the Fundamental Warranties and the Company Tax Warranties) in accordance with the terms of this Agreement;

**“Employee Benefit Funds”** means the employee benefit funds established or maintained in relation to the Employees, a list of which is contained in Schedule 15 (Employee Benefit Funds);

**“Employees”** means employees, secondees, consultants, contractors, officers who as on the Completion Date, are employed in the Business, and the terms **“Employed”** and **“Employment”** shall be construed accordingly;

**“Encumbrance”** means any encumbrance, charge (whether fixed or floating), claim, pledge, hypothecation, condition, equitable interest, lien (statutory or other), deposit by way of security, bill of sale, due but unpaid Tax, option or right of pre-emption, beneficial ownership (including usufruct and similar entitlements), option, security interest, mortgage, easement, encroachment, public / common right, right of way, right of first refusal, or restriction of any kind, any adverse claim as to title, possession or use, including any restriction on use, voting, transfer (including non-disposal undertaking with or without an attached power of attorney entitling the holder thereof to sell the relevant asset), receipt of income or exercise of any other attribute of ownership, any provisional, conditional or executorial attachment and any other interest held by a Third Party;

**“Environmental Law”** means any common or statutory Applicable Law, regulation, directive or other law and all codes of practice, statutory guidance and the like in any jurisdiction, having the force of law, relating to the environment, pollution of the

environment, human health or safety or the welfare of any other living organism applicable in connection with the Business;

**“Environmental Permits”** means any Consents and Approvals which are issued, granted or required under Environmental Laws on or before the Completion Date;

**“EPF Act”** means the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, as amended from time to time;

**“Equity Share Capital”** means the issued and fully paid up Equity Shares of the Company;

**“ESI Act”** means the Employees' State Insurance Act, 1948, as amended from time to time;

**“Fair Valuation Certificate”** means a certificate from a registered valuer or any other person authorised under the Act, in accordance with the requirements of the Act and on the value of the Equity Shares determined in accordance with the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 with regard to unlisted companies;

**“Fairly Disclosed”** means fully, fairly, accurately and specifically disclosed in such manner and with sufficient facts and details to enable the Investors to understand the nature and scope of the matter and to make an informed assessment of its impact on the Target Group Entities;

**“Financial Statements”** mean the balance sheet, profit and loss account statements, cash flows (audited or unaudited, as the case may be), auditors reports and notes to accounts (in the case of audited financial statements) of the Target Group Entities;

**“Financial Year”** means a financial year commencing on April 1 and ending on March 31 of the immediately following calendar year;

**“Fire NOC”** means a no objection certificate issued by the relevant fire safety officer;

**“Fully Diluted Basis”** means, on the relevant date, that the relevant calculation should be made in relation to the Equity Share Capital assuming that all outstanding convertible preference shares or debentures, options, warrants, notes and other securities convertible into or exercisable or exchangeable for equity shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), including stock options and any outstanding commitments to issue equity shares at a future date, have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof;

**“Fundamental Warranties”** means all the Company Fundamental Warranties and the Promoters' Warranties;

**“GAAP”** means generally accepted accounting principles in India;

**“Government”** or **“Governmental Authority(ies)”** means any government, quasi-government authority, ministry, statutory authority, government department, agency,

commission, board, tribunal, or court or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to or purporting to have jurisdiction on behalf of or representing the Government of India, or any other relevant jurisdiction, or any state, department, local authority, municipality, district or other political subdivision or instrumentality thereof and shall include the RBI and the CCI;

**“Government Official”** means any: (a) employee or official of a national or local Governmental Authority, instrumentality of any Governmental Authority (e.g., state-owned or state-controlled enterprise, government agency, government advisor, public hospital) or public international organization (e.g., the World Bank); (b) political party or party official; or (c) candidate for political office;

**“HIMUDA”** means the Himachal Pradesh Housing and Urban Development Authority, being the lessor for the premises of the NI Baddi Facility and the AI Baddi Facility;

**“Intellectual Property”** means all patents, inventions, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, copyright (including rights in computer software) and moral rights, works of authorship, database rights, semi-conductor topography rights, utility models, dossiers, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;

**“Key Employee(s)”** means each of the Promoters and all employees of the Company and / or AI, who are entitled to an annual salary of INR 1,000,000 (Rupees One Million) on the Agreement Date;

**“Lease Deed(s)”** means lease deeds and sub-lease deeds that the Company has executed whether as a lessee or lessor or sub-lessor in respect of the Immovable Properties or part thereof, more particularly enumerated in Schedule 10 (Immovable Properties) to this Agreement;

**“Losses”** means any and all losses including all Claims, damages, liabilities, deficiencies, assessments, settlements, loss of profit, diminution in value of securities, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorney’s and other advisors’ fees and expenses and the cost of enforcing any right to indemnification, reimbursement or recovery hereunder or otherwise as determined in accordance with Clause 21 (Dispute Resolution) of the Shareholders Agreement;

**“Manufacturing Facilities”** means together the AI Baddi Facility, NI Baddi Facility and the Dehradun Facility;

**“Material Adverse Effect”** means: (a) any event, occurrence, fact, condition (financial or otherwise), change, development or effect that, individually or in aggregate with other events, occurrences, facts, conditions, changes, developments or effects, that, as of the Completion Date; (i) causes a drop in net revenue or an increase in cost, in each case, amounting to a change of at least 10% (ten percent) from the last audited Financial Statements as of March

31, 2017; or (ii) causes a drop in value of properties (including intangible properties) or assets (including intangible assets) of the Target Group Entities, or an increase in liabilities of the Target Group Entities, in each case, amounting to a change of at least 25% (twenty five percent) from the last audited Financial Statements as of March 31, 2017; or (b) any impairment of the ability of the Target Group Entities and / or the Promoters to perform their respective obligations hereunder or under the other Transaction Documents;

**“Material Interest”** means direct or indirect beneficial ownership of voting securities or other voting interests representing more than 20% (twenty percent) of the outstanding voting power of a Person or representing more than 20% (twenty percent) of the outstanding equity shares or equity interests in a Person;

**“Money-Laundering Laws”** means all laws, regulations and sanctions of all jurisdictions (including sanctions or measures promulgated, imposed, administered or enforced by the Office of Foreign Assets Control of the U.S. Department of Treasury, Her Majesty’s Treasury, the European Union, the United Nations or any other relevant sanctions authority) that: (a) limit the use of and / or seek the forfeiture of proceeds from illegal transactions; (b) limit commercial transactions with designated countries or individuals believed to be terrorists, narcotics dealers, supporters of weapons proliferation or otherwise engaged in activities contrary to the interests of India, Singapore, the United Kingdom, the United States or other applicable countries; (c) may require the Investors or the Additional Investors to obtain information on the identity of, and source of funds for investment by, the Target Group Entities or the Promoters; or (d) are designed to disrupt the flow of funds to terrorist organisations, in each case, to such extent as applicable to the Target Group Entities;

**“MLAC Warranties”** means the Promoters’ Warranties set out in Part C (Money-Laundering, Sanctions Laws and Regulations and Anti-Corruption Warranties) of Schedule 7 (Warranties) and the Company Warranties set out in Paragraph 3.4 of Part A of Schedule 7 (Warranties);

**“M G Udyog”** means M G Udyog Private Limited, a company incorporated under the laws of India with CIN U74899DL1994PTC056983, having its registered office at H-6, Udyog Nagar, Delhi – 110041;

**“Net Debt”** means all borrowings and other amounts owed by the Company, which are in the nature of debt, net of free cash, as on the Agreement Date and includes: (a) indebtedness for borrowed money owed by the Company under a credit facility, or evidenced by any note, bond, debenture or other debt security or similar instrument; (b) indebtedness arising from cash / book overdrafts, including interest accrued thereon; (c) indebtedness owed to the capital creditors of the Company; (d) accrued but unpaid Taxes such as property Taxes, stamp duty, income Taxes etc.; (e) any and all amounts due to any stretched / overdue creditors identified based on outstanding creditors for more than 180 (One Hundred and Eighty ) days past due based on the invoice date thereof, incremental of previous period overdue balances; (f) all long term employment obligations including amounts due by the Company in respect of leave encashment and gratuity; (g) all amounts arising out of any potential or identified Tax payout or penalty on account of non-compliances with regulations during the historical period, as set forth in Schedule 17 (Net Debt); (h) all deferred compensation obligations that

are owed or that are not cancellable by unilateral action of the Company and may become owing under agreements or arrangements existing as on the Agreement Date; (i) any amounts that are payable or would become payable by the Company to Persons other than the Parties hereto directly or indirectly as a result of the Transactions; and (j) any other item set forth in Schedule 17 (Net Debt);

**“NI Baddi Facility”** means the manufacturing plant succeeded by the Company from NI pursuant to the Business Succession, which is situated on leasehold property at plot bearing number 61, Bhatoli-Kalan, Baddi, District Solan, Himachal Pradesh, admeasuring 16405.82 square metres (the leased from HIMUDA);

**“Nikhil Footwears”** means Nikhil Footwears Private Limited, a company incorporated under the laws of India with CIN U19201DL1987PTC026643, having its registered office at 98, Shahzada Bagh, Industrial Area, Old Rohtak Road, Delhi – 110035;

**“Offer Letter”** means private placement offer letter in PAS-4 in terms of the Companies (Prospectus and Allotment of Securities) Rules, 2014, framed under the Act;

**“Ordinary Course of Business”** means the ordinary and usual course of business of each Target Group Entity: (a) consistent with the prior practice of such Target Group Entity or how the Business has been previously conducted; and (b) without having a Material Adverse Effect in relation to the Target Group Entity, provided, however, that: (i) a series of related transactions, which taken together are not in the ordinary course of business, shall not be deemed to be in the ordinary course of business; (ii) actions / transactions not in compliance with Applicable Laws, regardless of such actions / transactions being consistent with prior practices of such Target Group Entity or the Business (except as Fairly Disclosed in the Disclosure Letter in relation to the Warranties and as set forth in the other Transaction Documents), shall not be deemed to be in the ordinary course of business; and (iii) except for related party transactions (as set forth in the Disclosure Letter and the other Transaction Documents), all transactions of the Company with the Promoters and / or its Affiliates shall be deemed not to be in the Ordinary Course of Business;

**“Permits”** means any consent, licenses, registrations, permits, variances, franchises, authorizations and approvals from Governmental Authorities that are held by, or required by, the Target Group Entities in order to conduct its Business as now conducted and as expected to be conducted in the future;

**“Person(s)”** means any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership (general or limited), limited liability company, joint venture, trust, society or Governmental Authority or any other entity or organization;

**“Pro-Forma Consolidated Accounts”** means the consolidated accounts of the Business for the Financial Year ended 2017 and the first quarter of the Financial Year ending March 31, 2018, as set out in Schedule 16 (Pro-Forma Consolidated Accounts);



**“QRG Investor Demat Account”** means the depository account of the QRG Investor bearing Client ID no. 10080716 and DP ID IN301799 opened with BNP Paribas;

**“Rajiv Demat Account”** means the depository account of Rajiv bearing Client ID no. 00337507 and DP ID 13041400 opened with Reliance Securities Limited;

**“Rajesh Demat Account”** means the depository account of the Rajesh bearing Client ID no. 10822140 and DP ID IN300450 opened with IDBI Bank;

**“RBI”** means the Reserve Bank of India;

**“Registrar”** means, (a) in respect of the Company, the registrar of companies within the meaning of the Act; and (b) in respect of AI, the relevant registrar of firms within the meaning of the Indian Partnership Act, 1932;

**“Related Party”** means, with respect to the Company, the definition ascribed to such term in the Act, and shall also include the following:

- (a) with respect to a particular individual:
  - (i) any Affiliate of such individual; and
  - (ii) any Person in which such individual or his Affiliates hold (individually or in the aggregate) a Material Interest;
- (b) with respect to a specified Person (other than an individual):
  - (i) any Affiliate of such Person; and
  - (ii) any Person in which such specified Person or its Affiliates hold (A) (individually or in aggregate) a Material Interest or (B) a partnership interest;
- (c) the Promoters, Directors and each of their Affiliates; and
- (d) Key Employees;

**“Related Party Transactions”** means any and all transactions (including entry into a Contract) of any nature by and between: (a) on the one hand, the Company, a Person Controlled by the Company, or any partnership firm in which the Company is a partner; and (b) on the other hand, any Related Party;

**“Relative”** shall have the meaning as set forth in Section 2(77) of the Act. The term “Relative,” in relation to the Promoters, shall mean and shall be limited to, the father of Hari Krishan Agarwal, wife of Hari Krishan Agarwal, wife of Nikhil Aggarwal, daughter of Nikhil Aggarwal and the daughter of Hari Krishan Agarwal; provided in relation to the terms “Related Party” and “Related Party Transactions,” the definition of Relative shall apply to the Promoters as set forth in Section 2(77) of the Act]; provided, further, for the purposes of Clause 7.6 (Funding of Indemnity), the term “Relative” shall also include all such Persons who are exempt from paying any tax on gifts pursuant to any applicable provisions of the

Income Tax Act, 1961 (and the rules promulgated thereunder), in each case, as amended from time to time;

**“Released Matters”** mean any and all Losses, Claims, liabilities, obligations, actions and causes of action of any nature whatsoever that such Releasing Party now has, or at any time previously had, or shall or may have in the future, all in respect of any matters, events or circumstances prior to the Completion Date in each case relating to the Company, as a shareholder of the Company, holder of other Securities or director of the Company, or otherwise whether arising under agreements subsisting between such Parties as on the date hereof, under Applicable Law or otherwise, or by virtue of or in any matter related to any actions or inactions with respect to Company.

**“Representatives”** means, in relation to a Party, its Affiliates, directors, officers, employees, agents, advisers, accountants and consultants of that Party;

**“Sanctions Laws and Regulations”** means all laws concerning embargoes, economic sanctions, export restrictions, the ability to make or receive international payments, the ability to engage in international transactions, or the ability to take an ownership interest in assets located in a foreign country which are administered or enforced by United States, the United Nations Security Council, the European Union, the United Kingdom, or any other jurisdiction in which the Company operates;

**“Sanctions Target”** means any Person with whom dealings are restricted or prohibited by Sanctions Laws and Regulations, including: (a) any Person identified in any sanctions list maintained by: (i) the United States Department of Treasury, Office of Foreign Assets Control, the United States Department of Commerce, Bureau of Industry and Security, or the United States Department of State; (ii) the United Nations Security Council; (iii) HM Treasury of the United Kingdom; or (iv) the European Union; (b) any Person located, organised, or resident in, or a Governmental Authority or government instrumentality of, a country or territory with which dealings are prohibited by Sanctions Laws and Regulations or where restrictions imposed by Sanctions Laws and Regulations are otherwise applicable to the Person; and (c) any Person, directly or indirectly, 50% (fifty percent) or more owned or controlled by, or acting for the benefit or on behalf of, a Person described in (a) or (b);

**“Securities”** means, with respect to the Company, the Equity Shares, and / or any options, warrants, convertible debentures, convertible preference shares, loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, the Equity Shares (whether or not such securities are issued by the Company and whether or not then currently convertible, exercisable or exchangeable and whether with or without payment of additional consideration);

**“Selling Promoter Demat Account”** means the depository account of the Selling Promoter bearing Client ID no. 10821766 and DP ID IN300966 opened with Globe Capital Market Limited;

**"Shareholders' Agreement"** means the shareholders' agreement entered into amongst the Company, the Promoters, the Investors and the Additional Investors in Agreed Form, executed on and effective as of the Completion Date;

**"SIAC Rules"** means the Singapore International Arbitration Centre Rules, 2013;

**"Specific Indemnity Item(s)"** means any and / or all the items listed in Schedule 8 (Specific Indemnity Items);

**"Target Group Entity"** means each of the Company and AI, and the Company and AI, collectively, the **"Target Group Entities"**;

**"Tax Authority"** means any authority competent to impose, assess, collect or administer any Tax, including appellant authority or court, in any jurisdiction in which the Company would be liable to pay any Tax;

**"Tax Claim"** means any notice issued by or on behalf of any Tax Authority with respect to Tax, including any demand, assessment, or written communication;

**"Tax(es) / Taxation"** mean all taxes, including tax, duties (including stamp duty), charges, fees, levies, cess or other similar assessments, including in relation to (a) income, services, gross receipts, ad valorem, assets, entry, capital gains, municipal, interest, expenditure, imports, wealth, gift, sales, use, transfer, licensing, withholding, employment, payroll, imposed by any state, local, or any subdivision, agency, or other similar Person; and (b) any interest, fines, penalties, assessments, or additions to Tax resulting from, attributable to, or incurred in connection with any such Tax or any contest or dispute thereof;

**"Third Party"** means any Person who is not party to this Agreement;

**"TPG Investor Demat Account"** means the depository account of the TPG Investor bearing Client ID no. 10069569 and DP ID IN302638 opened with DSP Merrill Lynch;

**"Transaction(s)"** means the transactions contemplated under the Transaction Documents;

**"Transaction Documents"** means this Agreement, the Disclosure Letter, the Shareholders' Agreement and all other documents entered into pursuant to the terms of this Agreement;

**"Transfer"** (including the terms **"transferred," "transferring"** and **"transferability"**) means, whether directly or indirectly, any transfer, sale, assignment, pledge, hypothecation, creation of any interest or Encumbrance, placing in trust (voting or otherwise), exchange, gift, entering into any arrangement in respect of votes or the right to receive dividends, or any swap or other arrangement that transfers to another Person in whole or in part the consequences of ownership, in each case whether by operation of law or in any other way, and whether or not voluntarily;

**"Udyog Nagar Facility"** means the manufacturing plant of KTPL situated on the leasehold property at D1, Udyog Nagar, Village Nanglai Jat and Garhi Piran (Zone G-17), which has been sub-leased from the Manufacturer's Cooperative Industrial Estate Limited; and

“**Warranties**” means the Promoters’ Warranties and the Company Warranties.

For purposes of this Agreement, the following terms have the meanings specified in the indicated Clause, Schedule or Paragraph of the Schedule of this Agreement:

Defined Term	Reference
AI	<u>Recital (B)</u>
Arbitral Tribunal	<u>Clause 13.2</u>
Business Indebtedness	<u>Paragraph 8.1 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
Business Intellectual Property	<u>Paragraph 17.1 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
Business Restructuring	<u>Recital (B)</u>
Business Succession	<u>Recital (B)</u>
Business Systems	<u>Paragraph 18.1 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
Business Transfer	<u>Recital (B)</u>
Claim Notice	<u>Clause 7.3.1</u>
Claim Period(s)	<u>Clause 7.2.3</u>
Company Admission	<u>Recital (B)</u>
Company Warranties	<u>Clause 6.1</u>
Completion	<u>Clause 4.1</u>
Conditions Subsequent	<u>Clause 5.2</u>
Covered Persons	<u>Paragraph 2 of Part C (Money-Laundering, Sanctions Laws and Regulations and Anti-Corruption Warranties) of Schedule 7 (Warranties)</u>
De-Minimis Amount	<u>Clause 7.2.1(a)(i)</u>
Dispute	<u>Clause 13.1</u>
Equity Share and Equity Shares	<u>Recital (C)</u>

Defined Term	Reference
Final Resolution Period	<u>Clause 13.1</u>
Financing Documents	<u>Paragraph 8.1 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
Government Authority Deposit	<u>Clause 7.2.7</u>
Government Authority Dispute	<u>Clause 7.2.7</u>
Government Authority Notice	<u>Clause 7.2.7</u>
Immovable Properties	<u>Paragraph 4.1 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
Indemnified Party and Indemnified Parties	<u>Clause 7.1</u>
Indemnifying Party and Indemnifying Parties	<u>Clause 7.1</u>
Indemnity Claim	<u>Clause 7.3.1</u>
Indemnity Pay-out Period	<u>Clause 7.3.2</u>
Investment	<u>Recital (F)</u>
Investment Amount	<u>Clause 2.1.1</u>
Investors Warranties	<u>Clause 6.3</u>
KTPL	<u>Recital (B)</u>
Litigation	<u>Paragraph 13.1 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
Material Contracts	<u>Paragraph 5.2 of Part A (Company Warranties) of Schedule 7 (Warranties)</u>
NI	<u>Recital (B)</u>
Non-Liable Persons	<u>Clause 7.6</u>
Post-Completion Actions	<u>Clause 5.1</u>
Promoters' Warranties	<u>Clause 6.2</u>
Purchase Consideration	<u>Clause 2.1.1</u>
Releasing Party and Released Party	<u>Clause 7.9</u>

Defined Term	Reference
Relevant Claim and Relevant Claims	<u>Clause 7.2.1(a)(i)</u>
Resolution Meeting	<u>Clause 13.1</u>
Resolution Period	<u>Clause 13.1</u>
Sale Shares	<u>Recital (F)</u>
Secondary Investment	<u>Recital (F)</u>
Selling Promoter	<u>Recital (F)</u>
Subscription	<u>Recital (E)</u>
Subscription Consideration	<u>Clause 2.1.1</u>
Subscription Shares	<u>Recital (E)</u>
Third Party Claim	<u>Clause 7.4.1</u>
Threshold Amount	<u>Clause 7.2.1(a)(ii)</u>

## 2. INTERPRETATIONS.

2.1 The interpretation and / or construction of this Agreement shall be in accordance with the following rules of interpretation:

2.2 In this Agreement, unless the contrary intention appears:

- (a) the words “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire Agreement and not to any particular Clause, article or section of this Agreement;
- (b) the table of contents, headings, subheadings, titles and subtitles to Clauses are inserted for convenience only and shall not affect the construction or interpretation of this Agreement;
- (c) unless the context otherwise requires, words in the singular include the plural and vice versa, and a reference to any gender includes all other genders;
- (d) references to: (i) Clauses, Exhibits, preamble, Recitals and Schedules are to clauses, exhibits, preamble, recitals and schedules, respectively, of this Agreement; and (ii) Parts and Paragraphs are to parts and paragraphs of the schedules to this Agreement, in each case, all of which form an integral part of this Agreement and are included in all references to this Agreement;

- (e) any reference to any statute or statutory provision shall include a reference to that statute or statutory provision as amended, consolidated or replaced from time to time (whether before or after the Agreement Date), and shall include any subordinate legislation made under the relevant statute or statutory provision, whether or not amended, consolidated, or replaced from time to time;
- (f) the terms referred to in this Agreement shall, unless defined otherwise or inconsistent with the context or meaning thereof, bear the meanings ascribed to them under the relevant statute / legislation;
- (g) unless otherwise specified, references to days, months and years are to calendar days, calendar months and calendar years, respectively;
- (h) all approvals and / or consents to be granted by the Parties under this Agreement shall be deemed to mean prior approvals and / or consents in writing;
- (i) references to an "agreement" or "document" shall be construed as a reference to such agreement or document as the same may have been amended, varied, supplemented or novated in writing at the relevant time in accordance with the requirements of such agreement or document and, if applicable, of this Agreement with respect to amendments;
- (j) any reference to "writing" shall include printing, typing, lithography or transmissions by email or facsimile and other means of reproducing words in visible form, but excluding text messaging via mobile phones;
- (k) the words "including" and "include" means including without limitation and include without limitation, respectively;
- (l) if there is any conflict or inconsistency between a term in the body of this Agreement and a term in any of the Schedules or any other document referred to or otherwise incorporated into this Agreement, the term in the body of this Agreement shall take precedence, unless the relevant Schedule or such other document which is referred or otherwise incorporated into this Agreement expressly provides that the term in it is to take precedence over the term in the body of this Agreement;
- (m) the provisions of this Agreement or of any other Transaction Documents, which relate to: (i) the Promoters (including the Warranties) are given and entered into by them jointly and severally; and (ii) all the obligations and / or undertakings of the Company (including the Warranties and the Conditions Subsequent under this Agreement) are deemed to be the joint and several obligations of the Promoters; individually and together with the Company;
- (n) any reference to a Party to this Agreement shall include, in case of a body corporate, references to its successors and permitted assigns and in case of a natural person, to his or her heirs, executors, administrators and legal representatives, each of whom shall be bound by the provisions of this Agreement in the like manner as the Party itself is bound;

- (o) any reference to a document in "**Agreed Form**" is to a document in a form agreed between the Promoters, the Company and the TPG Investor, and initialled for the purpose of identification by or on behalf of each of them (in each case with such amendments as may be agreed by or on behalf of the Parties);
- (p) if any provision in this Schedule 5 (Definitions and Interpretation) is a substantive provision conferring a right or imposing an obligation on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement, and all the obligations of the Company in this Agreement shall be deemed to be the obligations of the Promoters;
- (q) time is of the essence in the performance of the each Party's respective obligations, and if any time period specified herein is extended, such extended time period shall also be of the essence;
- (r) where any of the representations and warranties in any of the Transaction Documents or any statement or any other document executed or delivered pursuant to any of the Transaction Documents is qualified by the expression "so far as the Promoters, individually or collectively, is / are aware," "has knowingly," "to the best of the Promoters' knowledge, information and belief," or any similar expression with respect to any of the Promoters, that expression or statement shall be deemed to include an additional statement that it has been made after due and careful enquiry which would be expected or required from a person of ordinary prudence, including in accordance with its role as the Promoter and the management of the Target Group Entities, to establish the truth and accuracy of each statement. Each Promoter shall be deemed to have actual knowledge of a particular fact, circumstance, event or other matter if such fact, circumstance, event or other matter is expressly stated in one or more documents (whether written or electronic, including electronic mail);
- (s) no provisions of this Agreement shall be interpreted in favour of, or against, any Party by reason of the extent to which such Party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof; and
- (t) any and all payments made by any Party pursuant to any of the terms of this Agreement or any of the other Transaction Documents shall be in Rupees only.



**SCHEDULE 6**  
**DETAILS OF ACCOUNTS**

**PART A**  
**COMPANY'S BANK ACCOUNT**

<b>Bank Location</b>	209-214, Kailash Building , 26,KG Marg, New Delhi-110001
<b>Bank Name</b>	HDFC BANK
<b>Beneficiary</b>	CAMPUS ACTIVEWEAR PVT LTD
<b>Bank account number</b>	57500000073130
<b>Bank SWIFT / Routing number</b>	HDFCINBBXXX
<b>IFSC Code</b>	HDFC0000003

**PART B**  
**SELLING PROMOTER'S BANK ACCOUNT**

<b>Bank Location</b>	Mianwali Nagar, Main Rothak Road, New Delhi-110087
<b>Bank Name</b>	HDFC BANK
<b>Beneficiary</b>	NIKHIL AGGARWAL
<b>Bank account number</b>	11271930005095
<b>IFSC Code</b>	HDFC0001127

**SCHEDULE 7**  
**WARRANTIES**

**PART A**

**1. ORGANISATION, POWER AND CORPORATE MATTERS.**

- 1.1 The Company is duly incorporated and organised, validly existing, and in good standing under the laws of India, and AI is a partnership firm duly constituted, validly existing and in good standing under Applicable Laws.
- 1.2 The Company has all necessary power and authority to execute and deliver all the Transaction Documents, to perform its obligations thereunder and to consummate the Transactions. The execution, delivery and performance by it of all Transaction Documents, and the consummation by it, of the Transactions have been duly and validly authorised by all requisite actions on its part. Further, each Target Group Entity has the requisite power and authority to own and operate the Business (including all the Assets) as proposed to be conducted.
- 1.3 All legal and procedural requirements and other formalities concerning the Charter Documents of each Target Group Entity have been duly and properly complied with, in all respects. The Target Group Entities have not breached, and are in compliance with, the provisions of their respective Charter Documents. The copies of the Charter Documents and other constitutional and corporate documents of each Target Group Entity provided to the Investors and / or their respective Representatives are true, complete and correct and not misleading in any respect.
- 1.4 All Consents and Approvals have been obtained, including particularly, the consent of HIMUDA and the State Infrastructure & Industrial Development Corporation of Uttarakhand Limited, required for the change in the constitution of AI in 2015, whereby the Promoters were admitted as partners in AI.
- 1.5 Except for such Consents or Approvals as contemplated in the Transaction Documents, no other Consent or Approval is required to be obtained by a Target Group Entity in connection with the execution, delivery and performance of the Transaction Documents.
- 1.6 All of the statutory books, minute books, register of members and other registers of the Company, as required under Applicable Laws: (a) have been properly and accurately maintained in all material respects; (b) are up-to-date in all material respects; (c) contains complete and accurate records of all matters required to be entered under Applicable Laws in all material respects; (d) contains complete and accurate records of all issuances and transfers of shares or other securities of the Company; and (e) are in the possession and under the direct control of the Board and / or the Promoters (as the case may be). Further, as regards minute books, all resolutions are and have been duly passed by the Board and the shareholders of the Company.
- 1.7 There are no pending or threatened notices or allegations that any of the statutory books, records or registers of any of the Target Group Entities is incorrect.

- 1.8 Each Target Group Entity is, and has not been in violation of any requirements or obligations imposed upon such Target Group Entity by the Act and / or under Applicable Laws, and all the legal and procedural requirements in relation to all mandatory filings with the Registrar have been duly and properly complied with in all material respects. All forms, returns, reports, filings, particulars, registrations, resolutions and other documents and intimations that the Company is required, by Applicable Law, to file with, make or deliver to any Governmental Authority, have been correctly made, duly filed and / or delivered in all material aspects and no notices are pending or threatened from any Governmental Authority in relation to non-compliance with its obligations in connection with such filings, returns, particulars, resolutions and / or other documents.
- 1.9 The execution and delivery of this Agreement and the other Transaction Documents, the consummation of the Transactions, and the fulfilment of, and compliance with the respective terms hereof and thereof, do not and shall not: (a) conflict with, or result in a breach of the terms, conditions or provisions of; (b) constitute a default under (whether with or without the passage of time, the giving of notice or both); (c) give any Third Party the right to modify, terminate or accelerate any obligation under; (d) result in a violation of; or (e) require any authorization, consent, approval, exemption or other action by or notice or declaration to, or filing with any Third Party or Governmental Authority pursuant to: (i) the Company's Charter Documents; (ii) any Applicable Laws; or (iii) any Contract to which any Target Group Entity is a party or to which its assets are bound.
- 1.10 No Target Group Entity has given a power of attorney or any other authority (express, implied or ostensible), to any Person to enter into any contract or commitment or to do anything on its behalf, which is still outstanding or effective, other than any authority to: (a) the relevant Employees to enter into contracts in the Ordinary Course of Business; and (b) agents or trademark agents for routine prosecution or maintenance of registered Intellectual Property of such Target Group Entity.
- 1.11 Except for the Business Restructuring, no Target Group Entity has been involved in any corporate or group restructuring, including by way of merger, demerger or hive-down of assets, since its incorporation and / or constitution (as applicable).
- 1.12 The: (a) authorised share capital of the Company is INR 1,535,000,000 (Rupees One Billion Five Hundred and Thirty Five Million), comprised of 500,000 (Five Hundred Thousand) Equity Shares each and 15,300,000 (Fifteen Million and Three Hundred Thousand) preference shares of face value of INR 10 (Rupees Ten) each; (b) the Equity Share Capital is INR 800,000 (Rupees Eight Hundred Thousand), comprised of 80,000 (Eighty Thousand) Equity Shares; and (c) the issued and paid-up preference share capital of the Company is INR 1,530,000,000 (Rupees One Billion Five Hundred and Thirty Million), comprised of 153,000,000 (One Hundred and Fifty-Three Million) redeemable preference shares of face value INR 10 (Rupees Ten) each. The shareholding information of the Company set forth in Schedule 3 (Current Capital Structure) is true, complete and correct, in all, and not misleading in any, respects.
- 1.13 The Company holds a 99% partnership interest in AI, and each of the Promoters hold 0.5% partnership interest in AI, respectively.

1.14 As on the Agreement Date:

- (a) no resolution has been passed to wind up the Company;
- (b) no action or decision has been taken by the Company and / or the Promoters, to dissolve their partnership in AI;
- (c) no resolution has been passed and no meeting has been held to appoint a liquidator for the Company;
- (d) no class of the Company's creditors have entered into any scheme or arrangement with respect to the liabilities of the Company;
- (e) no: (i) action has been taken to seize or take possession of, and (ii) no receiver or manager has been appointed with respect to, any of the Equity Shares forming part of the Equity Share Capital;
- (f) no Target Group Entity has received any notice, written or otherwise, of any legal proceeding initiated or to be initiated as a result of such Target Group Entity not paying its creditors; and
- (g) none of AI's creditors has raised any claim against AI, the Company and / or the Promoters or instituted any proceedings for dissolution of the partnership, with respect to the liabilities of AI.

1.15 Except as set forth in Paragraph 1.13 above, neither of the Target Group Entities holds or has any direct or indirect interest in any shares, debentures, interest, or other securities of any Person. Further, none of the Target Group Entities has any right or obligation, to make any investment in any other Person.

1.16 All the Subscription Shares will, as on the Completion Date, be duly authorized, validly issued (either in dematerialized or physical form) and fully paid. No Person will exercise or purport to exercise or claim any Encumbrance over any of the Subscription Shares.

1.17 None of the Target Group Entities has itself done, committed or omitted, or authorized anyone on its behalf to do, commit or omit, any act, deed, matter or thing whereby the Shares issued to the Investors can be forfeited, extinguished or rendered void or voidable. Neither has any Target Group Entity, nor the Promoters, or anyone acting on behalf of any Target Group Entity or the Promoters, with their authority, has entered into, or arrived at any agreement or arrangement, written or oral, with any Person, which will render the issuance and allotment of the Subscription Shares, or the sale, and purchase, of the Sale Shares, in violation of such agreements / arrangements.

1.18 Each allotment and Transfer of the Securities has been made in compliance with Applicable Laws, and all corporate actions required to be performed by the Company under Applicable Laws have been performed.

- 1.19 The Company does not have any obligation(s) (contingent or otherwise) to purchase, redeem (excluding any redeemable preference shares) or otherwise acquire any of the Securities or any interest therein or to pay any dividends or make any other distribution in respect thereof.
- 1.20 There is no fact or circumstance relating to the affairs of the Target Group Entities which has not been disclosed to the Investors or any of their respective advisors and, which, if disclosed, might reasonably have been expected to influence the decision of the Investors regarding the Transaction.

## **2. BUSINESS RESTRUCTURING AND ASSETS.**

- 2.1 The Business Restructuring has been duly and validly consummated and, pursuant to, and as a result of, the Business Restructuring, the Target Group Entities: (a) are, collectively, the sole legal and beneficial owners of the Business (including all the Assets) free from any and all Encumbrances; and (b) have full unrestricted right, title and authority to use and exploit the Assets. All Assets are validly owned, leased, occupied, licensed or used by the Company and / or AI, as the case may be.
- 2.2 Pursuant to the consummation of the Business Restructuring, each of the Target Group Entities have a right to all the Assets, facilities and services which are necessary for the Business. Further, the Business is substantially the same as the business relating to the manufacturing, sale and distribution of casual and sports footwear conducted by the Target Group Entities and / or their respective Affiliates collectively during the 12 (twelve) months prior to the Agreement Date.
- 2.3 The Assets are used exclusively for the Business and are not shared by any other business or division of the Promoters or any of their Affiliates.
- 2.4 All assets owned, leased occupied, licensed or otherwise used in connection with, or necessary for the conduct of the Business or incidental thereto, before the completion of the Business Restructuring have been transferred to the Target Group Entities or the Target Group Entities have the right to use such assets (without any restriction or interference) as on or prior to the Agreement Date. Further, as on the Agreement Date, the Assets comprise all assets necessary for continuation of the Business in the manner and to the extent it was carried on or before the consummation of the Business Restructuring.
- 2.5 Following the completion of the Business Restructuring, all the Assets are in the possession, or under the control of, the Target Group Entities, and there are no circumstances which may cause any Governmental Authority to expropriate or nationalise any of the Assets.

## **3. PERMITS AND COMPLIANCE.**

- 3.1 The Target Group Entities have, at all times, complied with, and are in compliance with, Applicable Laws and have all necessary Permits as required under Applicable Laws in all material respects and all such Permits are in full force and effect. None of the Target Group Entities are, or have been, in violation of any Permit which may: (a) result in any liability or criminal or administrative sanction on any of the Target Group Entities; or (b) lead to such Permit not being renewed. Each Target Group Entity has complied with, and is in compliance

with, all terms and conditions contained in the Permits, and there are no outstanding liabilities of any kind whatsoever resulting from non-compliance with any of the Permits.

- 3.2 No Target Group Entity has: (a) received a notice that it is in violation of, or in default under, any Applicable Law, and /or (b) is aware of any circumstances, facts or matters whereby any such notice is reasonably likely to be issued with respect to the conduct of the Business.
- 3.3 There is no investigation, enquiry or proceeding outstanding in respect of which any Target Group Entity has received a written notice, order or verbal communication from any Person.
- 3.4 No Target Group Entity has, directly or indirectly: (a) made or agreed to make any contribution, payment or gift to any government official, employee or agent in any jurisdiction, in which such contribution, payment or gift or the purpose thereof, was illegal under the laws of such federal, state, local or foreign jurisdiction; (b) established or maintained any unrecorded fund or asset for any purpose or made any false or fictitious entries on the books and records of the Promoters or any of the Target Group Entities for any reason; (c) made or agreed to make any contribution, or reimbursed any political gift or contribution made by any other Person, to any candidate for federal, state, local or foreign public office; or (d) paid or delivered any fee, commission or any other sum of money or item of property, however characterized, to any finder, agent, government official or other Person, in any country, which in any manner relates to the Business or any of the Assets.

#### 4. **TITLE TO AND CONDITION OF ASSETS.**

- 4.1 All immovable Assets which are owned, leased, occupied, licensed or used in connection with the conduct of the Business or incidental thereto, are detailed in Schedule 10 (Immovable Properties) (collectively, the “**Immovable Properties**”) and the Company has clear and marketable title to all the Immovable Properties owned by it, free and clear of any and all Encumbrances. The Immovable Properties comprise of all immovable properties necessary for the carrying on of the Business fully and effectively in the manner it is conducted as of the Agreement Date.
- 4.2 The right, title and interest of the owners and each Target Group Entity’s leasehold right, title and interest, in each case, in the Immovable Properties are not subject to any adverse estate, right, interest, covenant, restriction, stipulation, easement, option, right of way, pre-emption, tenancy, leave and licence or right or arrangement in favour of any Third Party (whether in the nature of a public or private obligation) nor is there any agreement (whether written or oral) to give or create any of the foregoing, and Claims in respect of the aforesaid, if any, have been fully settled / satisfied. The lease of each of the Immovable Properties in favour of the relevant Target Group Entity which has taken such Immovable Property on lease, is made by competent persons with valid right, title, and interest in such Immovable Property.
- 4.3 The Lease Deeds in relation to each of the Manufacturing Facilities (other than the AI Baddi Plant) have been duly transferred in the name of the Company, in terms of Applicable Law and following the procedure set out in the relevant state jurisdictions. All Consents and Approvals required for the transfer of the Lease Deeds in relation to the Manufacturing Facilities (other than the AI Baddi Plant) pursuant to the Business Restructuring have been

duly obtained, and are in full force and effect. The Company has not given any right to any Third Party with respect to any of the Immovable Properties, which is subsisting on the Agreement Date.

- 4.4 All Consents and Approvals required under the Lease Deed, including for the change in constitution of AI as a result of the Company Admission, have been duly obtained and are in full force and effect.
- 4.5 Each Target Group Entity is, and has been, in compliance with all the terms and conditions and obligations (including rents, payments or other payable charges) under all the Contracts for sale, lease deeds, license agreements, allotment letters and other relevant documents (including the Lease Deeds) in respect of the Immovable Properties.
- 4.6 All the documents to which a Target Group Entity is a party (including the Lease Deeds), or which documents form part of the title to any Immovable Properties, or which documents such Target Group Entity may need to enforce or produce as evidence in any court of law: (a) are good, valid, adequately stamped and subsisting in accordance with Applicable Laws; and (b) are not void or voidable and there are no circumstances existing that would render such documents, including the Lease Deeds void or voidable. All records and information (including, for the avoidance of doubt, all deeds, agreements and documents including the original Lease Deeds) in relation to the Immovable Properties are in the exclusive possession and under the direct control of the Target Group Entities, collectively, and have not been deposited as security for creation of any charge (including any mortgage) over the Immovable Properties.
- 4.7 Neither the Target Group Entities nor any of the Promoters, has obtained any loan secured by any of the Immovable Properties; or has offered any of the Immovable Properties as security for payment of any money or for performance of any obligation.
- 4.8 All the Lease Deeds are good, valid, adequately stamped and subsisting, and are not void or voidable and there are no circumstances existing that would render any of the Lease Deeds void or voidable. Each Target Group Entity has observed, performed and complied with, and continues to observe, perform and comply with, the terms and conditions of the relevant Lease Deeds and has not received any notice for breach of any terms and conditions thereof, or any notice of termination for any of the Lease Deeds.
- 4.9 The Immovable Properties are not subject to: (a) payment of any outgoings (except the usual rent, taxes, rates, maintenance, utility and services charges payable in respect of the Immovable Properties, which have, as of the Agreement Date, been duly paid and discharged in full); or (b) unlawful possession or occupation of any Person who has or claims any rights or easement of any kind in respect of such property or any part of it. For avoidance of any doubt, there are no outstanding actions, disputes, Claims, liabilities (actual or contingent) or demands, subsisting, with respect to any of the Immovable Properties.
- 4.10 No lease in respect of any of the Immovable Properties is being continued after the contractual expiry date, whether pursuant to any statute or otherwise, and the renewal process

for all such expired leases has been initiated by any of the Target Group Entities, in accordance with the terms of such leases.

- 4.11 All Lease Deeds are on an arm's length basis and no lease / license in respect of any Immovable Property has been provided to, or taken from, any Related Party.
- 4.12 There is no notice, action, demand, dispute, proceeding (pending or threatened), arbitration, decree, attachment, acquisition, requisition, prohibitory order from any Governmental Authorities or any other public body or authority or Person or trust of any nature whatsoever or notification issued under Applicable Laws affecting or reasonably likely to adversely affect the Immovable Properties, its use and / or value.
- 4.13 To the best of the Promoters' knowledge, no liability for, or expenditure of any material sum in respect of, the Immovable Properties is anticipated.
- 4.14 None of the lands comprising the Immovable Properties are agricultural lands or have been encroached upon.
- 4.15 All planning and zoning laws, approvals from government and statutory agreements in respect of the Manufacturing Facilities have been duly complied with, and there are no outstanding monetary Claims or liabilities, whether actual or contingent, arising under any applicable planning and zoning laws.
- 4.16 The buildings at the Manufacturing Facilities have been constructed in accordance with Applicable Laws, and there are no violations or defects in construction of such buildings. None of the land parcels comprising the Immovable Properties or any part thereof are reserved for any public use and / or included in any public scheme of any Governmental Authorities or any other public body.
- 4.17 Each Target Group Entity owns good and marketable title to all of the tangible assets owned by it, including the fixed assets, free and clear of any and all Encumbrances, and no Third Party has or claims any rights in relation to such assets (including any right to call for an assignment of, on any payment in respect of, any such assets). All such assets owned by each Target Group Entity are, in the aggregate, in good operating condition and repair for their age and intended use, ordinary wear and tear excepted, and have been reasonably maintained consistent with standards generally followed in the industry, are adequate and suitable for their present and intended uses. None of such tangible assets is in need of maintenance or repairs, except for ordinary, routine maintenance and repairs that are not material in nature or cost. There is no impairment to carrying value of the fixed Assets.
- 4.18 The Manufacturing Facilities are not subject (or likely to become subject) to any matter which might adversely affect the ability of any of the Target Group Entities to continue to carry on the Business from the Manufacturing Facilities. Further, no Target Group Entity is in breach of any covenant, restriction, condition or obligation (whether statutory or otherwise) affecting the Manufacturing Facilities, or the conduct of the Business at or from the Manufacturing Facilities, and there are no circumstances which may give rise to such breach.



- 4.19 The Manufacturing Facilities benefit from all permanent and legally enforceable easements and other contractual rights, if any, materially necessary for the continued use, enjoyment and maintenance of each such facility for the purpose of the Business being carried on from the Manufacturing Facilities and for compliance with any obligations relating to such facilities.
- 4.20 To the best of the Promoters' and the Company's knowledge, there are no circumstances which (with or without taking other action) would entitle any Third Party to exercise a right of entry to, or take possession of all or any part of the Immovable Properties, or which would in any other way affect or restrict the continued possession, enjoyment or use of any of the Immovable Properties.

## 5. **CONTRACTS AND TRANSACTIONS.**

- 5.1 Except as expressly set forth in Schedule 11 (Material Contracts), no Target Group Entity, in relation to the Business, is a party to, or bound by (whether written or oral) any:
- (a) pension, profit sharing, option, appreciation right, performance unit, equity equivalent, or equity purchase plan or arrangement or any other plan or arrangement providing for deferred, incentive or other compensation to Employees or other service providers;
  - (b) collective bargaining agreement or any other contract with any labour union, or severance agreements, programs, policies or arrangements;
  - (c) management agreement or contract for the employment of any officer, individual Employee or other Person on a full-time, part-time, consulting or other basis;
  - (d) Contract involving any Governmental Authority;
  - (e) Contract relating to borrowed money or other indebtedness, the mortgaging, pledging or otherwise placing an Encumbrance on any material Asset (tangible or intangible) or material group of Assets (tangible or intangible), any letter of credit arrangements, or any guarantee in respect of such indebtedness;
  - (f) lease or Contract under which such Target Group Entity is: (a) a lessee of, or holds or operates any personal property, owned by any other party, except for any lease of personal property, under which the aggregate annual rental payments do not exceed INR 2,500,000 (Rupees Two Million Five Hundred Thousand); or (b) a lessor of, or permits any Third Party to hold or operate any of the Immovable Properties;
  - (g) Contracts relating to, or in respect of, the ownership of, investments in, or loans and advances to, any Person, including investments in joint ventures and minority equity investments;
  - (h) license, royalty, indemnification or other Contract with respect to any rights in respect of the Intellectual Property or information technology (other than licenses for commercially available, off-the-shelf software with a replacement cost and / or

annual license or maintenance fee of less than INR 5,000,000 (Rupees Five Million) in the aggregate);

- (i) Contract with any agent or sales representative, for sales or distribution;
- (j) power of attorney or other similar agreement or grant of agency;
- (k) Contract prohibiting it from freely engaging in any business or competing anywhere in the world, including any non-disclosure or confidentiality agreements or any agreements containing "most favoured nation" or other similar clauses (save and except the provisions of the Transaction Documents);
- (l) Contract providing power or any other infrastructure to any of the Target Group Entities in relation to the Business;
- (m) settlement or other similar agreement pursuant to which any of the Target Group Entities is obligated to pay consideration in excess of INR 2,500,000 (Rupees Two Million Five Hundred Thousand);
- (n) Contract which is material to the Business, or which involves a consideration in excess of INR 2,500,000 (Rupees Two Million Five Hundred Thousand) annually; or
- (o) Contract under which the consequences of a default or termination could reasonably be expected to have a Material Adverse Effect.

5.2 All of the Contracts set forth in Schedule 11 (Material Contracts) attached hereto (collectively, the "**Material Contracts**") are valid, binding and enforceable in accordance with their respective terms. No Target Group Entity is in default under, or in breach of, whether existing or threatened, or in receipt of any Claim of default or breach under, any of the Material Contracts. No event has occurred which, with the passage of time or the giving of notice or both would result in a default, breach, termination or cancellation, by any Target Group Entity. Each of the Material Contracts shall continue to be in full force and effect on identical terms and without any penalty, breach or non-compliance, immediately following the consummation of the Transactions.

5.3 The Investors have been supplied with a true, complete and correct copy of each of the Material Contracts, together with all amendments, waivers or other changes thereto (all of which amendments, waivers or other changes are described in Schedule 11 (Material Contracts) attached hereto), and a true and accurate description of the terms and conditions of each pro-forma purchase order.

5.4 There are no outstanding, accrued or, to the best of the Promoters' knowledge, threatened liabilities, Losses, Claims, notices or proceedings in respect of any agreement or contract entered into by any of the Target Group Entities in relation to the Business.

5.5 During the 12 (twelve) months preceding the Agreement Date, no material supplier of the Business has: (a) ceased to deal, in whole or in part, with the Target Group Entities or has indicated in writing an intention to do so; or (b) individually accounted for more than 15%

(fifteen percent) of the aggregate value of all purchases by any one of the Target Group Entities.

- 5.6 Where Contracts have been entered into by the Company with Third Parties pursuant to the Business Restructuring, the corresponding agreements executed by NI and KTPL with such Third Parties prior to the Business Restructuring have been duly and validly terminated (with all rights, obligations and liabilities thereunder fully and finally discharged and extinguished).

6. **ANTI-COMPETITIVE AGREEMENTS.**

No Target Group Entity is a party to any Contract or concerted practice or has carried on or been carrying on any practice:

- 6.1 which in whole or in part may contravene with or may be invalidated by any anti-trust, fair trading, dumping, state aid, consumer protection or similar legislation in any jurisdiction where the Assets are situated or where the Business is carried on; or
- 6.2 in respect of which any filing, registration or notification may be required under the Competition Act, 2002.

7. **RELATED PARTY TRANSACTIONS.**

- 7.1 There are no existing debts, liabilities or Contracts between a Target Group Entity, on the one hand, and any of its Affiliates or any Persons directly or indirectly in Control of any such Target Group Entity or its Affiliates, on the other hand.
- 7.2 All related party transactions in relation to the business between a Target Group Entity, on the one hand, and any of its Affiliates or any Persons directly or indirectly in Control of any of such Target Group Entity or its Affiliates, on the other hand, are in compliance with Applicable Laws, and have been Fairly Disclosed in the Accounts (and made available to the Investors).

8. **FINANCING.**

- 8.1 Schedule 12 (Financing) provides details of all overdrafts, loans and other financial facilities in relation to the Business which have been transferred to any of the Target Group Entities (the “**Business Indebtedness**”), and all guarantees and indemnities and other security of any nature to secure such financial facilities, and, except as set forth in Schedule 12 (Financing), there is no Business Indebtedness. All Business Indebtedness is accurately and adequately reflected in the Accounts. Each Target Group Entity has been and is, and shall remain immediately after the consummation of the Transactions, in compliance with all the terms and conditions of the financing documents and the related security documents entered into by such Target Group Entity with respect to the Business Indebtedness (collectively, the “**Financing Documents**”), including all payment obligations under the Financing Documents.
- 8.2 Following the transfer of the Business Indebtedness to the Company pursuant to the Business Transfer, the total amount borrowed by the Company did not, and does not, exceed any

limitation on the Company's borrowings set out in its Charter Documents, any Board or shareholder resolution of the Company, or in any contract binding on the Company.

8.3 No Target Group Entity has received any demand or other notice, requiring the payment or repayment of money with respect to any Business Indebtedness before its stated maturity, or relating to the enforcement of security, under the Financing Documents in relation to the Business Indebtedness. No Target Group Entity is a party to, or liable under any guarantee, indemnity or other agreement, to secure or incur a financial or other obligation with respect to a Third Party's obligation.

8.4 The announcement, consummation or giving effect to of any Transaction shall not trigger any prepayment under any Financing Document, and shall not result in any variation of or amendment to the material terms and conditions set out under the Financing Documents.

## **9. NO UNDISCLOSED LIABILITIES.**

9.1 The Target Group Entities have no liabilities, obligations or commitments of any nature whatsoever, whether asserted or not, absolute or contingent, accrued or not, matured or not, or otherwise, except those which are adequately reflected, or reserved against, in the Accounts.

9.2 Other than the operational liabilities (including operational debts) of the Business, as set out in the Pro-Forma Consolidated Accounts, no other debts or liabilities of the Promoters or any of their Affiliates (including NI or KTPL) have been transferred to any of the Target Group Entities pursuant to the Business Restructuring.

## **10. EMPLOYEES.**

10.1 The Target Group Entities, in relation to the Business, are and have been in compliance with, in all material respects, all applicable employment laws, including obligations in respect of the Employee Benefit Funds, and no Claim is pending or threatened against any of the Target Group Entities in this regard, and no notice of any Claim has been received by any of the Target Group Entities.

10.2 The Employees are not associated with any trade union, staff association or other body representing the employees or workmen of the Target Group Entities.

10.3 No Target Group Entity has issued any stock option or a stock incentive scheme to the Employees. No entitlement to the Promoters or any Employee towards any committed profit or any committed compensation exists as at the Agreement Date and there are no unrecorded liabilities relating to such obligations.

10.4 The Target Group Entities have no liability or Claim from or against any of their respective Employees or temporary Employees and have made all payments with respect to all accruals including any Claims relating to gratuity dues, remuneration, paid leaves or other Employment Benefit Funds.

- 10.5 The Target Group Entities have made all contributions in accordance with Applicable Laws in relation to the payment of the Employee Benefit Funds, including but not limited to provident fund, employees' state insurance, etc.
- 10.6 The Target Group Entities have, in relation to each of its employees and workers and (so far as relevant) its former employees and workers, complied with and discharged in all respect with its obligations (as appropriate) under all other statutes and regulations relevant to its relations with such employee or worker or the conditions of service of such employee or worker, including those relating to the safety at work, and has maintained adequate and suitable records regarding the service of such employee or worker.
- 10.7 Other than the amounts recorded in the Accounts, there are no additional amounts payable to or owed by any of the employees of the Target Group Entities. There are no amounts of deferred remuneration outstanding (including but not limited to bonuses, holiday pay etc.) in relation to any Employee (other than amounts representing remuneration accrued due for the current pay period, or for reimbursement of reasonable business expenses).
- 10.8 No Target Group Entity has received any notice of resignation from a material number, grade or category of Employees nor has the Company given or, where such Employee is a Key Employee, to the best of the Promoters' and the Company's knowledge, intends to give any notice of termination to any of its employees, except in the Ordinary Course of Business. Further, no Employee or material number, grade or category of Employees to the best of the Promoters' and the Company's knowledge intends to resign as a result of the Business Transfer or other performance of the terms of this Agreement or the other Transaction Documents. There are no Employees who are on secondment, absent on grounds of disability, or are on a leave of absence for any other reason, and have, or may have, a statutory or contractual right to return to work.
- 10.9 None of the Contracts in relation to the Business between any of the Target Group Entities, on the one hand, and its Representatives, on the other hand:
- (a) require more than 3 (three) months' notice to be terminated; or
  - (b) provide for payment of any termination payments in the event of termination, change of Control, or any transfer of Assets, in relation to any Target Group Entity.
- 10.10 No Target Group Entity has: (a) any labour relations complaints (including any additional union organization activities, threatened or actual strikes or work stoppages or material grievances); (b) engaged in any unfair labour practices prescribed by Applicable Laws; (c) suffered any labour strike, lockout, work stoppage or other labour dispute; or (d) is facing any union organization campaign by, or with respect to, any of its Employees.
- 10.11 To the best of the Promoters' knowledge, no employees of the Target Group Entities are, in any respect, in violation of any term of any employment contract, non-disclosure agreement, non-competition agreement, or any restrictive covenant with respect to any former employment, relating to the right of any such employee to be employed by such Target Group Entity because of the nature of the business.

- 10.12 As on the Agreement Date, the Promoters have delivered a true, complete and correct list of (a) all Employees, including such individuals who are currently on leave or who are employed but absent due to ill health or otherwise; (b) the compensation payable by the Target Group Entities to each such Employee, including any bonus, contingent or deferred compensation; and (c) the list of directors and officers of the Target Group Entities, and no variations to the terms of any contract of employment or contract for services has been promised to any Representative of a Target Group Entity, subsequent to Completion.
- 10.13 The Target Group Entities have not entered into any arrangement or agreement imposing an obligation on the Target Group Entities to increase the basis and / or rates of remuneration and / or the provision of other benefits in kind (including, but not limited to, the Employee Benefit Funds, any share incentive, share option, profit related pay, profit sharing bonus or other incentive scheme) to, or on behalf of, any of the Employees at a future date.
- 10.14 No proposal has been announced, no power or discretion has been exercised and no Contract, undertaking, commitment or assurance has been made or intention expressed (whether or not legally binding) to establish any other scheme, fund, arrangement, plan or agreement for providing any employee benefits other than the Employee Benefit Funds or to introduce, continue, modify, change, improve or increase any benefits under the Employee Benefit Funds.
- 10.15 All Employee Benefit Funds are listed in Schedule 15 (Employee Benefit Funds). Other than the Employee Benefit Funds listed in Schedule 15 (Employee Benefit Funds) of this Agreement, the Target Group Entities do not provide, or contribute to, and are not (and cannot become) liable to provide or contribute to the provision of employee benefits for or in respect of any Employee or former employee engaged in the Business. Further, all amounts due to be paid to, or in respect of, the Employee Benefit Funds on or before the Agreement Date have been duly paid in full on the due dates for such payments.
- 10.16 The Employee Benefit Funds are sufficient to discharge the statutory or other obligations of Target Group Entities to make contributions on behalf of the Employees to the employee state insurance scheme (or equivalent) and all other statutory obligations under Applicable Law with respect to the provision of employee benefits.
- 10.17 **Termination of Employment.**
- (a) No liability which remains undischarged has been incurred by, or is threatened to be imposed on, any Target Group Entity for breach of any contract of employment or consultancy agreement with any of its Representatives, including redundancy payments, protective awards, compensation for wrongful dismissal, unfair dismissal or for failure to comply with any order for the reinstatement or re-engagement of any Employee.
- (b) The Target Group Entities have not made or agreed to make any payment or provided or agreed to provide any benefit to any Representative, or former Representative, or any dependant of any such persons, in connection with the Business.

- (c) No Target Group Entity has entered into any Contracts with, nor does it have any obligations towards, a Representative relating to such Representative's employment or consultancy which provides for payment of sums to such persons, other than annual salary, ordinary bonus payments and reimbursement of expenses and other remuneration as contemplated under Applicable Laws, in connection with the Business.
- 10.18 The Target Group Entities have withheld, and paid to the relevant Governmental Authority, proper and accurate amounts from salaries and wages due to its employees for all periods prior to the Completion Date, in due compliance with the Tax withholding provisions of the Income Tax Act, 1961 and Applicable Laws.

## **11. TAX.**

### **11.1 Tax Compliance and General.**

- (a) Each Target Group Entity has provided all information required for Tax purposes and has fully complied, on a timely basis, with all notices served on it, and any other requirements lawfully made of it, by any Tax Authority.
- (b) All returns filed by each Target Group Entity with a Tax Authority have been made on a proper basis, are correct, and duly filed, and no such return is, or is reasonably likely to be, the subject of any dispute with any Tax Authority.
- (c) Each Target Group Entity has duly paid all Tax which it has become liable to pay and is not liable to pay any penalty, fine or interest in connection with any Tax. No Target Group Entity has or shall have any liability in respect of any periods ending on or before the Completion Date, for unpaid Taxes in excess of amounts that are both: (i) set forth as reserves for Taxes in the Accounts; and (ii) taken into account in calculating Net Debt. No Tax deficiencies have been proposed in writing or assessed against any of the Target Group Entities.
- (d) Each Target Group Entity has deducted or withheld all Tax which it has been obliged by Applicable Laws to deduct or withhold from payments made by it, and has properly accounted to the relevant Tax Authority for all amounts so deducted or withheld.
- (e) Each Target Group Entity has fully complied with all withholding, payment and reporting obligations in connection with payments made or benefits provided (whether by the Company or by any other Person) for directors, other officers and Employees.
- (f) No Target Group Entity has been, or is currently, subject to any audit, assessment / reassessment, investigation, by any Tax Authority or any other form of Tax proceedings.

- (g) Each Target Group Entity has maintained and preserved all records required for Tax purposes or which may be needed to enable it to deliver complete and accurate returns, and has made all returns within applicable time limits.
- (h) All particulars furnished to any Tax Authority in connection with any applications made to such Tax Authority, were complete and accurate, and any transaction for which such consent or clearance was obtained has been carried into effect strictly in accordance with the terms of the relevant consent or clearance.
- (i) Each Target Group Entity has always been a resident of India, for Tax purposes, and neither is, nor has ever been resident in any other jurisdiction, for Taxation purposes, neither has it had a taxable presence or deemed to have or have had a taxable presence outside India.
- (j) Each Promoter is a tax resident of India under the provisions of the Income Tax Act, 1961, during the Financial Year ending March 31, 2018, and such Promoter is not a resident in any other jurisdiction.
- (k) There are no Tax sharing agreements or similar agreements (including indemnity arrangements) with respect to or involving any of the Target Group Entities and none of the Target Group Entities is bound by any such Tax sharing agreements nor does any of the Target Group Entities have any liability thereunder for amounts due in respect of periods prior to the Completion Date.
- (l) None of the Target Group Entities has made any payment that could be treated as a distribution for Tax purposes.
- (m) None of the Target Group Entities has any liens / Encumbrances on any of its Assets that arose in connection with any failure or alleged failure to pay any Tax.
- (n) None of the Target Group Entities has waived any statute of limitations with respect to any Taxes or agreed to any extension of time for filing any tax return which has not been filed, or has consented to extend to a date later than the Completion Date the period in which any Tax of the Company may be assessed or collected by any taxing authority, or received a ruling from any Tax that might impact the amount of Tax due from such Target Group Entity after the Agreement Date, or has made an application with a Tax Authority for this purpose.
- (o) No foreign, federal, state or local tax audits or assessments or administrative or judicial proceedings are pending or being conducted with respect to any of the Target Group Entities, and no Claim has ever been made by a Tax Authority in a jurisdiction where the Target Group Entities do not file tax returns stating that any of the Target Group Entities is, or may be, subject to Taxes assessed by such jurisdiction.
- (p) Except for the income tax liability (which in no circumstances shall exceed the amount) set out in line item 'provision for income tax' of Schedule 17 (Net Debt), none of the Target Group Entities is: (i) a party to, or is bound by, any Tax allocation or Tax sharing agreement; or (ii) liable for the Taxes of another Person under state,



local or foreign Tax laws, as a transferee or successor, by contract or indemnity or otherwise.

- (q) None of the Target Group Entities is required to include an item or amount of income in, or exclude any item or amount of deduction from, taxable income for any taxable period (or portion thereof) ending after the Completion Date as a result of: (i) any change in method of accounting for a taxable period (or portion thereof) ending on or prior to the Completion Date; (ii) inter-company transaction or excess loss account; (iii) any prepaid amount received on or prior to the Completion Date; or (iv) instalment sale or open transaction disposition made on or prior to the Completion Date.
- (r) Each Target Group Entity has retained documents and other evidence demonstrating that the terms of all transactions, agreements and arrangements to which such Target Group Entity is, or has been a party, are such as would have been made between independent enterprises. The nature, form and content of such documents and other evidence complies with Applicable Laws and Tax Authority guidelines.
- (s) None of the Target Group Entities has entered into any agreement with the main object to take tax benefits that would be considered as impermissible avoidance agreement under the General Anti-Avoidance Rules, under the Income Tax Act, 1961, with effect from April 1, 2017.
- (t) There are no tax demands or tax proceedings initiated or pending against the Selling Promoters under the Income Tax Act, 1961, which could render void the sale and transfer of the Sale Shares, in terms of section 281 of the Income Tax Act, 1961.

## 12. ACCOUNTS.

- 12.1 The Accounts (other than the Pro-Forma Consolidated Accounts) provided to the Investors: (a) are true, accurate and complete copies of the Accounts; (b) present a true and fair view of the financial position and results of operations and cash flow of the Business as of and for each of the respective accounting periods for which such Accounts (other than the Pro-Forma Consolidated Accounts) have been provided, including the last of which ended on the Accounts Date; and (c) have been prepared in accordance with Applicable Laws and GAAP and on the same basis and in accordance with the same accounting principles, practices and methods, consistently applied, with those adopted in preparing the audited accounts for the previous 4 (four) consecutive accounting periods in relation to the Business.
- 12.2 The Pro Forma Consolidated Accounts provided to the Investors: (a) are true, accurate and complete copies of the Accounts in all material respects; (b) present, in all material respects, a true and fair view of the financial position and results of operations and cash flow of the Business as of and for the relevant accounting period for which such Pro Forma Consolidated Accounts have been provided; and (c) have been prepared in accordance with Applicable Laws and GAAP and on the same basis and in accordance with the same accounting principles, practices and methods, consistently applied, with those adopted in preparing the

audited accounts for the previous 4 (four) consecutive accounting periods in relation to the Business.

- 12.3 The profits and losses of the Business as shown by the Accounts and the trend of profits and losses shown by such Accounts have not (except as properly disclosed in such Accounts) been affected by changes or inconsistencies in accounting treatment or by any non-recurring items of income or expenditure, by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms or by any other factors rendering such profits or losses for the periods to which the Accounts relate exceptionally high or low.
- 12.4 Since the Accounts Date: (a) the business of each of the Target Group Entities, has been conducted in the Ordinary Course of Business and so as to maintain its business as a going concern; (b) the Accounts: (i) make adequate provision for actual assets and liabilities; (ii) make provision reasonably regarded as adequate for all bad and doubtful debts; and (iii) disclose all contingent liabilities, including set-off arrangements with any Person, and there are no existing liabilities, whether actual or contingent, of any of the Target Group Entities other than: (A) liabilities disclosed or provided for in the Accounts; or (B) liabilities incurred in the Ordinary Course of Business since the Accounts Date; (c) there has not been any event, occurrence, development or state of circumstances or facts that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; (d) none of the Target Group Entities have acquired or disposed of any Asset nor agreed to acquire or dispose of an Asset, in any case for a consideration in excess of INR 10,000,000 (Rupees Ten Million), other than in the Ordinary Course of Business; (e) the Target Group Entities have not made or agreed to make any capital expenditure in an amount exceeding INR 5,000,000 (INR Five Million) individually or INR 10,000,000 (Rupees Ten Million) in the aggregate; (f) the profits and losses of each of the Target Group Entities and the trend of profits and losses have not been affected by changes or inconsistencies in accounting treatment or by any non-recurring items of income or expenditure, by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms or by any other factors rendering such profits exceptionally high or low; (g) the Target Group Entities have not paid, nor agreed to pay, any management, advisory or similar charges to the Promoters or any of its Affiliates; and (h) the Target Group Entities have not declared, made or paid any dividend, bonus or other distribution of capital or income except as provided for in the Accounts.
- 12.5 The Target Group Entities continue to maintain systems of internal accounting controls with respect to the Business sufficient to provide reasonable assurances that: (a) all transactions are executed in accordance with the general or specific authorization of the management; (b) all transactions are recorded as necessary to permit the preparation of the accounts of the Target Group Entities in compliance with Applicable Laws and GAAP and to maintain proper accountability for items; and (c) the recorded accountability for items is compared with the actual levels at reasonable intervals and appropriate action is taken with respect to any differences.
13. **LITIGATION.**
- 13.1 There is no pending or threatened litigation, action, suit, arbitration or other dispute resolution process or proceedings ("**Litigation**") against any of the Target Group Entities. There are no

proceedings, criminal or otherwise, initiated or pending against any of the Target Group Entities or any of its directors, officers, partners, Employees or any other Person for whose acts or defaults the Company may be vicariously liable.

13.2 There is no Litigation pending, threatened or expected, against any of the Target Group Entities or their properties, respectively that is reasonably likely to have a Material Adverse Effect on the ability of the Target Group Entities to carry on the Business in the manner that it is presently being carried on.

13.3 There are no outstanding judgements, decrees or orders of any court or authority against or affecting any of the Target Group Entities, their Business or affairs or operations or undertakings. None of the Target Group Entities have received any written communication of any proceeding or investigation or order before or by any judicial, quasi-judicial or statutory authority or arbitral tribunal in relation to, or which may in any manner prejudice or affect, the Business or the Transactions.

13.4 All material customer grievances and complaints in relation to the Business received by each of the Target Group Entities, have been resolved to the customer's satisfaction and there are no outstanding or pending customer grievances in relation to the Business.

#### 14. **INSURANCE.**

14.1 Each Target Group Entity has maintained adequate insurance cover, and in particular has maintained all insurance required by statute. Further, all insurance policies taken by each Target Group Entity is adequate for the purposes of the Business.

14.2 Copies of all insurance policies which the Target Group Entities have availed have been Fairly Disclosed to the Investors. In respect of all such insurance policies: (a) all premiums have been duly paid to date; (b) all of the policies are in full force and effect, and no act, omission, misrepresentation or non-disclosure by or on behalf of the Target Group Entities have occurred which makes any of these policies void or voidable, nor has there been any breach of the terms, conditions and warranties of any of the policies that would entitle insurers to decline to pay all or any part of any Claim made under the policies; and (c) to the best of the Promoters' knowledge, there are no special or unusual limits, terms, exclusions or restrictions in any of the policies and the premiums payable are not in excess of the normal rates and no circumstances exists which are likely to give rise to any increase in premiums.

#### 15. **NO POWERS OF ATTORNEY.**

No general power of attorney granted by any of the Target Group Entities or any other Person in relation to Business is in force as on the Agreement Date.

#### 16. **ENVIRONMENTAL MATTERS.**

16.1 The Business has been in compliance with all applicable Environmental Laws and has obtained, is, and has been, in compliance with all applicable Environmental Permits.

- 16.2 No notice of violation, notification of liability, or request for information has been received by any of the Target Group Entities in relation to the Business, and no litigation is pending or threatened by any Person involving the Business or any of the Manufacturing Facilities, relating to, or arising out of, any applicable Environmental Law.
- 16.3 No order has been issued, or penalty or fine assessed involving the Business or any Manufacturing Facility, relating to, or arising out of, any Environmental law.
- 16.4 To the best of the Promoters' knowledge, there are no circumstances which may give rise to any non-compliance with, or liability under, Environmental Laws in relation to the Business or the Manufacturing Facilities.
- 16.5 All Environmental Permits required for the operation of the Business (and each part of it) have been obtained, are being materially complied with, and are in full force and effect.
- 16.6 To the best of the Promoters' knowledge, there are no circumstances which are likely to result in any Environmental Permit required for the operation of the Business or the Manufacturing Facilities being revoked, suspended, amended, modified or not renewed.
- 16.7 As on the Agreement Date, there are no outstanding applications for, or in respect of, any Environmental Permit or condition contained therein, and there are no applications or appeals pending in respect of the refusal, limitation, variation or revocation of any Environmental Permit or condition contained therein.
- 16.8 There is no pollution or contamination of the environment from the Manufacturing Facilities on, in, at, under or migrating from or to, the Manufacturing Facilities, which may give rise to any material liability under Environmental Laws.
- 16.9 The activities carried out at the Manufacturing Facilities since its establishment did not, and the activities currently carried on at the Manufacturing Facilities do not, fall under schedule I of the Environment Impact Notification dated 27 January, 1994.
- 16.10 Neither any of the Target Group Entities nor any other Person has caused or taken any action that could result in any liability or obligation relating to: (a) the environmental conditions at, on, above, under, or about any properties (including but not limited to the Immovable Properties) or Assets currently or formerly owned, leased, operated or used by any of the Target Group Entities; or (b) the past or present use, management, handling, transport, treatment, generation, storage, disposal, release or threatened release of hazardous substances.
- 16.11 The Promoters have provided to the Investors all environmental site assessments, audits, investigations, studies, inspection reports, pre-establishment approvals and acceptance opinions in the possession, custody or control of the Target Group Entities, relating to properties or Assets currently or formerly owned, leased, operated or used by the Target Group Entities.

## 17. INTELLECTUAL PROPERTY.

- 17.1 The Target Group Entities own and possess all right, title and interest in, or have the rights to use pursuant to valid and enforceable written licenses, free and clear of any and all Encumbrances, all Intellectual Property rights used in or necessary to operate the Business as currently conducted and as proposed to be conducted (the “**Business Intellectual Property**”) as set out in Schedule 13 (Intellectual Properties). All of the rights associated with the Business Intellectual Property are valid, enforceable, subsisting, and in full force and effect, and no loss of any of the Business Intellectual Property is reasonably foreseeable. The Target Group Entities have taken all customary and necessary actions to maintain, enforce and protect the Business Intellectual Property.
- 17.2 No right in relation to any Business Intellectual Property is the subject of any dispute or proceedings and no dispute or proceedings are threatened.
- 17.3 To the best of the Promoters’ knowledge, no Third Party is infringing or making unauthorised use of any Business Intellectual Property Rights. None of the operations of the Business are infringing the Intellectual Property of a Third Party, and, to the best of Promoters’ knowledge, there are no existing outstanding Claims or disputes initiated by third parties against any of the Target Group Entities challenging the Target Group’s right to use or claim ownership of the Business Intellectual Property or that the Business Intellectual Property infringes such Third Party’s Intellectual Property.
- 17.4 Confidential information of, or that has been used by, any of the Target Group Entities in connection with the Business has been kept confidential and has not been disclosed to Third Parties except in the Ordinary Course of Business and subject to written confidentiality obligations from the Third Party, and, to the best of the Promoters’ knowledge, no Third Parties are in breach of their respective confidentiality obligations to any Target Group Entity.
- 17.5 There have been no acts or omissions that would prejudice the rights of the Target Group Entities to enforce the Business Intellectual Property.
- 17.6 There are no outstanding or threatened Claims from independent contractors, current or former directors, managers or employees associated with the Business: (a) for compensation or remuneration of: (i) inventions or copyright works created or anything similar; or (ii) their contributions to the development of the Business Intellectual Property; or (b) asserting moral rights in the Business Intellectual Property.

## 18. INFORMATION TECHNOLOGY.

- 18.1 The computer systems, including the software, firmware, hardware (whether general or special purpose), networks, interfaces, platforms and other similar or related automated or computerized items that are owned, licensed or leased by the Target Group Entities (collectively, the “**Business Systems**”) in the conduct of the Business are sufficient for the immediate, and current needs of the Target Group Entities. License fees in respect of all the Business Systems have been paid by the Target Group Entities, and no further payments need to be made for the use of the computer systems in their Ordinary Course of Business. There

have been no failures, breakdowns, continued substandard performance or other adverse events affecting any such Business Systems that have caused or could reasonably be expected to result in the substantial disruption, or interruption in, or to the use of such Business Systems. Each Target Group Entity maintains commercially reasonable security, disaster recovery, and business continuity plan, procedures and facilities, acts in compliance therewith, and has taken commercially reasonable steps to test such plans, and procedures on a periodic basis, and such plans and procedures have been proven effective upon such testing in all material respects.

- 18.2 There are no Claims against the Target Group Entities that are presently pending or threatened, contesting the validity, use, enforceability, ownership or registrability of any of the Business Systems, and, to the best of the Promoters' knowledge, there is no reasonable basis for any such Claim to arise. No Target Group Entity has received any notices (including cease-and-desist letters or offers to license) alleging infringement or misappropriation of, or other conflict with any business system or other rights of any other Persons, and the operation of the Business, as currently conducted, does not, and did not, infringe, misappropriate or conflict with any such business system, and to the best of the Promoters' knowledge, there are no facts or circumstances which indicate a likelihood of any of the foregoing. To the best of the Promoters' knowledge, no Person has infringed, misappropriated or otherwise conflicted with any of the Business Systems.
- 18.3 The Transactions shall not impair the right, title or interest of any of the Target Group Entities in, and to, the rights related to the Intellectual Property and the Business Systems, all of which rights and the Business Systems shall be owned or available for use by the Target Group Entities immediately after the Completion Date on terms and conditions identical to those under which any of the Target Group Entities owned or used such rights in connection with Intellectual Property and the Business Systems immediately prior to Completion. The rights related to the Intellectual Property are not subject to any outstanding consent, settlement, decree, order, injunction, judgment or ruling restricting the use thereof.
- 18.4 The Target Group Entities are, and have been, in compliance with: (a) all applicable data protection or privacy laws governing the collection or use of personal information; and (b) any privacy policies or related policies, programs or other notices that concern the Target Group "Entities' collection or use of personal information. There have not been any incidents of data security breaches or complaints, notices to, or audits, proceedings or investigations conducted or Claims asserted by any other Person (including any Governmental Authority) regarding the collection or use of personal information by the Target Group Entities in connection with the Business or any violation of Applicable Laws, and there is no reasonable basis for the same. Further, no such Claim is pending or has been threatened.
- 18.5 To the best of the Promoters' knowledge, the Business Systems do not contain viruses, bugs or things that distort the proper functioning, permit unauthorised access or disable them without the consent of the user. The Promoters have taken reasonable precautions to preserve the availability, security and integrity of the Business Systems and the data and information stored on the Business Systems. There has been no data theft in relation to the Business.

19. **DISCLOSURE OF DOCUMENTS.**

- 19.1 All representations, warranties, information, documents or statements provided by, or on behalf of, the Promoters to the Investors, and all other information which has been given in writing or made available by the Promoters and / or any of the Target Group Entities to the Investors, or their Representatives during the negotiations of this Agreement or in the course of the due diligence exercise or other investigation carried out by, or on behalf of, the Investors prior to entering into the Transaction Documents were true, complete and accurate when given and continue to remain true, complete and accurate in all respect and not misleading in any respect.
- 19.2 The Promoters have Fairly Disclosed to the Investors all the relevant facts relating to the Business in the context of each of the Subscription and Secondary Investment in accordance with the terms of this Agreement in the Disclosure Letter.
- 19.3 All information and documents relating to the affairs of the Business have been Fairly Disclosed to the Investors. There are no misstatements of financial information, undisclosed liabilities or potential write-offs that exist.
- 19.4 All information which, according to the particular nature of the Business and the Equity Shares to be held by the Investors, is necessary in the opinion of the Promoters to enable the Investors and their professional advisers to make an informed assessment of the Assets, liabilities, financial position, profits, losses and prospects of the Business and of the rights attached to the Equity Shares held by the Investors, has been Fairly Disclosed to the Investors.
- 19.5 The Disclosure Letter has been prepared by the Company and the Promoters in good faith and after due and, careful enquiry and in particular, but without limitation the information given in the Disclosure Letter (including any of the attachments) and the information, which is stated in the Disclosure Letter, to have been disclosed to the Investors, is true, complete and correct and not misleading in any respect, including because of any omission or ambiguity or for any other reason. All expressions of opinion or expectation contained in the Disclosure Letter are reasonable, based on reasonable assumptions, and are Fairly Disclosed. The documents attached to the Disclosure Letter or stated in the Disclosure Letter to be disclosed by virtue thereof are, where copies, true and accurate copies of the originals thereof.

**PART B**  
**PROMOTERS' WARRANTIES**

Notwithstanding anything to the contrary contained in this Agreement or any of the other Transaction Documents, each Promoter, jointly and severally, represents and warrants to the Investors that:

1. **AUTHORITY, CAPACITY AND VALIDITY.**
  - 1.1 Each Promoter has the legal right, power and capacity, and has taken all necessary actions, to execute, deliver and perform this Agreement and the other Transaction Documents.
  - 1.2 The Selling Promoter has the right, authority and power under Applicable Laws to sell, assign and transfer the Sale Shares to the Investors as set forth in this Agreement, and the Selling Promoter has not, nor has anyone on any of their behalf, done, committed or omitted any act, deed, matter or thing whereby the Sale Shares can be forfeited, extinguished or rendered void or voidable.
  - 1.3 The execution and delivery of this Agreement and the other Transaction Documents by the Promoters, the observance and performance of the terms and provisions hereunder and thereunder on its part to be observed and performed and the completion of the transactions hereunder and thereunder:
    - (a) do not constitute a violation of Applicable Laws or a violation or breach or default of any provision of any contract to which such Promoter is a party or by which such Promoter is bound (that have not been waived); and
    - (b) would not result in the creation of an Encumbrance on any of the Equity Shares, except any interest that is created in terms of this Agreement.
  - 1.4 This Agreement and the other Transaction Documents will, when executed, constitute valid and binding obligations on such Promoter in accordance with the terms hereunder and thereunder.
  - 1.5 There is no private or governmental action, suit, proceeding, Claim, arbitration or investigation threatened or pending before any Governmental Authority, court or tribunal, foreign or domestic, which is ongoing, or in relation to which a notice has been received by any of the Promoters (whether by way of counter claim or appeal), that may restrain, prevent or make illegal the performance of the obligations of the Promoters, or consummation of the Transactions.
  - 1.6 None of the Promoters requires any approval, license, permission, consent, no-objection or any similar action including any approval from any Governmental Authority for the purpose of executing, delivering and performing its obligations under this Agreement and the other Transaction Documents.



## 2. CAPITALIZATION.

- 2.1 The Company has: (a) an authorised share capital of INR 1,535,000,000 (Rupees One Billion Five Hundred and Thirty Five Million), comprised of 500,000 (Five Hundred Thousand) Equity Shares of face value INR 10 (Rupees Ten) each and 153,000,000 (One Hundred and Fifty-Three Million) preference shares of INR 10 (Rupees Ten) each; (b) Equity Share Capital of INR 800,000 (Rupees Eight Hundred Thousand), comprised of 80,000 (Eighty Thousand) Equity Shares; and (c) issued and paid-up preference share capital of INR 1,530,000,000 (Rupees One Billion Five Hundred and Thirty Million), comprised of 153,000,000 (One Hundred and Fifty-Three Million) redeemable preference shares of face value INR 10 (Rupees Ten) each. The capital structure of the Company immediately prior to the consummation of the Investment is set forth in Schedule 3 (Current Capital Structure), and the capital structure of the Company following consummation of the Investment is set forth in Schedule 4 (Capital Structure post Investment).
- 2.2 The Company holds a 99% partnership interest in AI, and each of the Promoters hold 0.5% partnership interest in AI, respectively.
- 2.3 All the Equity Shares prior to the Agreement Date were issued in compliance with Applicable Laws. None of such Equity Shares were issued in violation of any agreement, arrangement or commitment to which the Promoters or the Company is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
- 2.4 The Company has the power and authority to issue the Subscription Shares in accordance with the terms of this Agreement.
- 2.5 The Subscription Shares will be, when issued in accordance with the terms of this Agreement: (a) validly issued and fully paid; (b) free of any and all Encumbrances; and (c) not subject to any pre-emptive rights, lock-in, non-disposal obligations or rights of first refusal in favour of any Person, except for the restrictions under Clause 12 (Governing Law) of this Agreement.
- 2.6 There are no outstanding or authorised options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the capital stock of the Company or obligating the Company, or the Promoters to procure the Company to, issue or sell any shares of capital stock of, or any other interest in, the Company. The Company does not have any outstanding stock, nor has the Company authorised any stock appreciation, phantom stock, profit participation or similar rights. There are no voting trusts, stockholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Equity Shares.

## 3. TITLE TO SALE SHARES.

- 3.1 The Promoters are the sole and absolute legal and beneficial owner of the Sale Shares, free and clear of any and all Encumbrances, and the Promoters hold valid title to the Sale Shares, with full right and authority to sell and deliver the same to the Investors under this Agreement. Upon delivery of the Sale Shares, as contemplated in this Agreement, the

Promoters shall convey to the Investors, good and marketable title to the Sale Shares, free and clear of any and all Encumbrances.

- 3.2 Except as set out in Clause 2.1.1, there are no outstanding or authorised obligations and / or rights, including allotment, pre-emptive rights, rights of first refusal pursuant to any existing agreement or commitment, subscriptions, warrants, calls, put options, or other agreements, including voting agreements, contracts, arrangements, understandings, calls, conversion privileges or commitments of any kind, which are binding on the Promoters that give any Person the right to: (a) dispose, acquire or purchase the Sale Shares; or (b) create any interest therein, including any Encumbrance over the Sale Shares.

- 3.3 The Sale Shares held by the Selling Promoter have been, as of the Agreement Date, legally, properly and validly issued, allotted or acquired and fully paid; and comprise approximately 2.69% (two point six nine percent) of the Equity Share Capital on a Fully Diluted Basis.

4. **AFFILIATE TRANSACTIONS.**

No Related Party of any Promoter: (a) owns any beneficial interest in any Equity Shares; (b) is a party to any Contract or transaction with the Company; or (c) has any direct or indirect interest in any Asset.

5. **WARRANTIES NOT UNTRUE.**

None of the representations, warranties or declarations by such Promoter in this Part B of Schedule 7 (Warranties), contain any untrue statement of material fact or omit to state any material fact necessary to make the statements or facts not misleading in the circumstances in which they were made.

6. **INSOLVENCY.**

As on the Completion Date, none of the Promoters has not been adjudged insolvent by any Governmental Authority, nor has any order been passed by any Governmental Authority for appointment of liquidator in relation to the assets of any Promoter.

7. **BROKER FEES.**

There are no Claims for brokerage commissions, finders' fees or similar compensation in connection with the Transactions based on any arrangement or agreement made by or on behalf of any of the Promoters.

8. **CESSATION OF BUSINESS**

- 8.1 Except for M G Udyog, no other entity which is owned or controlled by any of the Promoters or their Affiliates carries out or undertakes, whether directly or indirectly, any activity related, or similar to the Business. Further, the Business is being carried out by the Promoters exclusively through the Target Group Entities and all Intellectual Property and other property or assets (if any) relevant to operate Business are in the exclusive ownership and possession of the Target Group Entities.

- 8.2 M G Udyog is only a captive manufacturer and all products manufactured by M G Udyog are supplied to only the Company (and to no other Person, either directly or indirectly).
- 8.3 The Promoters are not operationally involved with Nikhil Footwears, and the relationship between Nikhil Footwears and the Promoters is a dormant relationship.

**PART C**  
**MONEY-LAUNDERING, SANCTIONS LAWS AND REGULATIONS AND ANTI-CORRUPTION WARRANTIES**

1. None of the Target Group Entities have, directly or indirectly: (a) made or agreed to make any contribution, or reimbursed any political gift or contribution made by any other Person, to any candidate for federal, state, local or foreign public office; or (b) paid or delivered any fee, commission or any other sum of money or item of property, however characterized, to any finder, agent, Government Official or other Person, in any country, which in any manner relates to the assets, business or operations of the Business and is prohibited under Applicable Laws.
2. None of the Target Group Entities, the Promoters, their respective Affiliates, Representatives nor any other Person acting on behalf of any of the Target Group Entities and / or the Promoters or their respective Affiliates, in relation to the Business or pertaining to their dealings with the Target Group Entities (collectively, the "Covered Persons") have taken, directly or indirectly, any action (or have refrained from taking any action) that would cause the Target Group Entities and / or, following the Completion Date, the Investors, or any of their respective Affiliates, to be in violation of any Compliance Laws.
3. Without limiting the generality of the foregoing, no Covered Person has taken any act in furtherance of a payment, offer, promise to pay, or authorization or ratification of a payment of any gift, money or anything of value to:
  - 3.1 Government Official; or
  - 3.2 any person or entity while knowing, or having reasonable grounds to believe there is a high probability that all or a portion of that payment will be passed on to a Government Official, in each case, to secure an improper advantage on behalf of any of the Target Group Entities in violation of any Anti-Corruption Law.
4. None of the Target Group Entities or the Promoters are aware of any investigation of, or request for information from any Governmental Authority regarding a violation or potential violation of the Compliance Laws. No Covered Person has been convicted by a Governmental Authority to have violated the Compliance Laws.
5. No Covered Person has offered, paid, given, promised to pay, or authorised the payment of anything of value directly or indirectly to or for the benefit of, any agent, intermediary or employee of another company to improperly influence the recipient's action or otherwise to obtain or retain business or to secure any improper business advantage in violation of any Compliance Law, for the benefit of any of the Target Group Entities or the Business.
6. None of the licenses or Permits in relation to the Business were obtained in violation of any Compliance Laws.
7. No Covered Person has made, directly or indirectly, any offer or authorized, promised, condoned, participated in, or otherwise caused to be made, any false or fictitious entries in any books and records of the Company that might, in each case, cause the Company to be

involved in any litigation, investigation or other administrative or judicial proceedings, or give rise to any Material Adverse Effect.

8. The Promoters and the Company have not invested the assets of the Company in such a manner as to cause the Parties or the Company to be in violation of any Money-Laundering Laws.
9. No Covered Persons had received any allegation related to a violation or potential violation of the Compliance Laws. No Covered Person has been convicted by a Governmental Authority to have violated the Compliance Laws.
10. None of the Promoters have any information that would lead a reasonable person to believe that a Target Group Entity or the Promoters are, or have been, in violation of the Compliance Laws, including, but not limited to, any: (a) payments to agents in excess of commercially reasonable terms; (b) requests or recommendations from a Governmental Authority or other relevant Person for the Company to retain a particular agent; (c) requests by Employees for an improper payment; (d) unusually large expenses by Employees or agents of the Company in connection with the operations of the Company; or (e) unusual invoicing procedures.
11. No Covered Person has been party to the use of the assets of any Target Group Entity for the establishment of any unlawful or off-book fund or monies or other assets or making of any unlawful or unauthorised payment. No Covered Person has maintained any off-the-books accounts or more than one set of books, records or accounts.
12. The Company and AI have established and continue to maintain reasonable internal controls and procedures intended to ensure compliance with the Compliance Laws.
13. No Covered Person is, or has been within the last 5 (five) years, a Government Official.
14. No Government Official or Governmental Authority owns or shall receive an interest, whether direct or indirect, legal or beneficial, in any of the Target Group Entities or their respective Affiliates, or has or will receive any legal or beneficial interest, not mandated by Applicable Law in payments made to the Target Group Entities pursuant to this Agreement.
15. No Covered Person has made, directly or indirectly, any offer or authorized, promised, condoned, participated in, or otherwise caused to be made, any gift or payment of anything of value to any Government Official to obtain any improper advantage, affect or influence any act or decision of any such Government Official, or assist any Target Group Entity in obtaining or retaining business for, or with, or directing business to, any Person.
16. No Director, officers or Employees, nor the Promoters, has made or caused to be made false or misleading statements to, or has attempted to coerce or fraudulently influence, an accountant in connection with any audit, review or examination of the financial statements of any Target Group Entity.
17. Each of the Target Group Entities has:

- 17.1 maintained its books and records in a manner that, in reasonable detail, accurately and fairly reflect the transactions and disposition of their assets; and
- 17.2 maintained a system of internal accounting controls sufficient to provide reasonable assurances that:
- (a) transactions are executed and access to assets is given only in accordance with management's authorization;
  - (b) transactions are recorded as necessary to permit preparation of periodic financial statements and to maintain accountability of corporate assets; and
  - (c) recorded assets are compared with existing assets at reasonable intervals and appropriate action is taken with respect to any discrepancies between recorded and actual assets.
18. The operations of each Target Group Entity are and have been conducted at all times in compliance with all the Compliance Laws, and no action, suit or proceeding by or before any Governmental Authority or any arbitrator, involving such Target Group Entity, with respect to the Compliance Laws, is pending or to the best of the knowledge of the Promoters threatened.
19. No Covered Person: (a) is a Person with whom transactions are currently prohibited under any of the Compliance Laws; (b) is an individual or entity that is, or is owned or controlled by, a Sanctions Target, or has, or is, engaged in any activities which would result in a violation of, or be sanctionable under, any provision of any of the Compliance Laws; or (c) has, in the past five (5) years, engaged in direct or indirect Company-related transactions with a Sanctions Target, nor does any Covered Person have an obligation, plan, or commitment to do so in the future.
20. The Covered Persons are currently in compliance with, and at all times within the past five (5) years have been in compliance with, and have not engaged in any conduct sanctionable under, all Sanctions Laws and Regulations to the extent applicable to the Company, and there are not now, nor have there been within the past five (5) years, any formal or informal proceedings, allegations, investigations, or inquiries pending, anticipated or, to the knowledge of the Company and the Promoters, threatened against any Covered Person concerning violations or potential violations of, or conduct sanctionable under, Sanctions Laws and Regulations to the extent applicable to the Company."

**PART D**  
**INVESTOR AND ADDITIONAL INVESTOR WARRANTIES**

**1. INCORPORATION.**

Each Investor and each Additional Investor represents and warrants to the Company that such Investor and such Additional Investor (as the case may be) is duly incorporated or organised and existing under the laws of the jurisdiction of its incorporation or organization.

**2. AUTHORITY, CAPACITY AND VALIDITY.**

**2.1** Each Investor and Additional Investor represents and warrants to the Company that:

- (a) it has all requisite power and authority to enter into, and perform its obligations under, this Agreement and each other Transaction Documents to which it is a party, and has taken all actions required by Applicable Law and its constitutional documents to the execution and delivery of the Transaction Documents to which it is a party and performance of all of its obligations and thereunder and has duly and validly executed and delivered the Transaction Documents to which it is a party has the legal right, power, capacity and authority, and has taken all necessary actions, to execute, deliver and perform this Agreement;
- (b) this Agreement constitutes the legal, valid and binding obligation of such Investor and such Additional Investor, and is enforceable against such Investor and such Additional Investor, in accordance with its terms;
- (c) the execution, delivery and performance of this Agreement by such Investor and / or such Additional Investor, and the consummation of the Transactions will not:
  - (i) violate any provision of the constitutional documents of such Investor and such Additional Investor;
  - (ii) save as specifically contemplated in this Agreement, require such Investor and such Additional Investor to obtain any consent, approval or action of, or make any filing with or give any notice to, any Governmental Authority or any other Person pursuant to any material instrument, contract or other agreement to which such Investor is a party or by which such Investor and / or such Additional Investor is bound;
  - (iii) conflict with or result in any material breach or violation of any of the terms and conditions of, or constitute (or with notice or lapse of time or both constitute) a default under, any material instrument, contract or other agreement to which such Investor and / or such Additional Investor is a party or by which such Investor is bound; or
  - (iv) violate any order, judgment or decree against, or binding upon such Investor and / or such Additional Investor or upon its respective securities, properties or businesses.

**SCHEDULE 8**  
**SPECIFIC INDEMNITY ITEMS**

1. Any Tax liabilities that may be imposed on any of the Target Group Entities, including those arising out of, with respect to, by reason of or in connection with, the Business Restructuring.
2. Any Claims that may be made on the Target Group Entities arising out of, with respect to, by reason of, or in connection with the Business Restructuring, including those under the agreements pursuant to which the Business Transfer and the Business Succession were consummated.



**SCHEDULE 9**  
**CONDITIONS SUBSEQUENT**

**PART A**

1. As soon as practicable, but in any event within 30 (thirty) days from the Completion Date:
  - 1.1 provide to the Investors, (a) the management accounts for the period between April 1, 2017 and June 30, 2017, prepared in a manner consistent with that for the foregoing audited financial statements, and (b) the Pro-Forma Consolidated Accounts;
  - 1.2 ensure that AI has obtained an approval from HIMUDA (i.e., the lessor of the AI Baddi Facility) for the Company Admission;
  - 1.3 provide to the Investors, a no dues certificate from (a) Reliance Capital Limited, (b) Fullerton India Credit Company Limited, and (c) HDFC Bank Limited, in relation to lending facilities availed in relation to the Business prior to the Business Restructuring, in each case, on terms and conditions satisfactory to the TPG Investor;
  - 1.4 obtain in the name of the Company, a registration of establishment under the Contract Labour (Regulation and Abolition) Act, 1970, for the Dehradun Facility, and the NI Baddi Facility;
  - 1.5 endorse in the name of the Company, (a) entrepreneurs' memorandum filed for the NI Baddi Facility under the Micro, Small And Medium Enterprises Development Act, 2006, and (b) insurance policies in relation to the Business, previously obtained by NI and KTPL, and which have been transferred to the Company as part of the Business Restructuring; and
  - 1.6 obtain a Fire NOC for the NI Baddi Facility, in the name of the Company.
2. As soon as practicable, but in any event within 60 (sixty) days from the Completion Date:
  - 2.1 execute Contracts, in Agreed Form, with: (a) at least the top 5 (five) job-workers engaged by the Target Group Entities constituting 80% (eighty percent) of the value of all products manufactured; and (b) at least such number of material distributors constituting 50% (fifty percent) of the value of all products sold, in relation to the Business of the Target Group Entities;
  - 2.2 novate in favour of the Company, by execution of appropriate novation agreements in relation to service agreements with Ranjeet Enterprises, G.S. Choudhary Enterprises, J.S. Contractor and Trisha Enterprises, for the NI Baddi Facility;
  - 2.3 submit filings to the Trademarks Registry in connection with the assignment of foreign trademarks to the Company; and
  - 2.4 make an application for obtaining completion of certification of the standing orders for each of the Manufacturing Facilities, under the Industrial Employment (Standing Orders) Act, 1946.

3. As soon as practicable, but in any event within 90 days of the Completion Date, appoint a full-time company secretary, in order to comply with the requirements of the Act.
4. As soon as practicable, but in any event within 180 (hundred and eighty days) days from the Completion Date:
  - 4.1 obtain in its name, the consolidated consent to establish and authorisation for the Dehradun Facility under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Wastes(Management, Handling and Transboundary Movement) Rules, 2008;
  - 4.2 provide to the TPG Investor a copy of the environmental clearance for the NI Dehradun Plant, as required under the Notification No. SO. 102(E) dated February 01, 1989 issued by the Ministry of Environment and Forests under the Environment (Protection) Act, 1986; and
  - 4.3 ensure the updating of records of the Trademarks Registry to reflect the name of the Company as the subsequent proprietor or subsequent applicant (as the case may be) for each of the trademarks assigned by NI, Action Shoes Private Limited and KTPL to the Company.
5. As soon as practicable, but in any event within 270 (Two Hundred and Seventy) days from the Completion Date, the Promoters and the Company shall procure that AI has obtained the registration of the partnership with the jurisdictional registrar of firms as required by Applicable Law.
6. As soon as practicable, but in any event within 90 (Ninety) days from the Completion Date, the Company shall, and the Promoters shall procure that the Company shall, adopt the Compliance Code.
7. As soon as practicable, but in any event within 30 (Thirty) days from the Completion Date, the Company shall, and the Promoters shall procure that the Company shall, obtain, in its name, a license under the Factories Act, 1948, for the NI Baddi Facility.

#### **PART B**

1. As soon as practicable, but in any event within 60 (sixty) days from the Completion Date, the Promoters shall divest in full their respective shareholding, and shall not own directly or indirectly (including through or with their Affiliates) any interest, in Nikhil Footwears.
2. On or before June 30, 2018, consolidate, acquire or amalgamate M G Udyog with the Company in a manner, which is satisfactory to the TPG Investor, such that M G Udyog ceases to exist under Applicable Law.

**SCHEDULE 10**  
**IMMOVABLE PROPERTIES**

S. No.	Location	State	Address of the property	Lease /Rented	Rent amount (yearly)	Written Down Value as on 31/03/2017 LAND	Written Down Value as on 31/03/2017 BUILDING
1	Dwarka	Delhi	H-959, Palam Vihar Extention, Sec-7, Dwarka, New Delhi	Rented	1296000	-	-
2	Rohini	Delhi	222, Block/Pocket C-7, SECTOR -7 ROHINI	Rented	2160000	-	-
3	Tilak Nagar	Delhi	4/49, Double Story, Tilak Nagar, New Delhi	Rented	1722000	-	-
4	TDI Kundli	Haryana	GF- 20, TDI Mall, Kundli, haryana	Rented	564000	-	-
5	Sonipat	Haryana	Shop no - 202 -L, Model Town, Atlas Road, Sonipat	Rented	564000	-	-
6	Kalka Ji	Delhi	F-2, Near Circle, Kalka Ji, New delhi	Rented	1440000	-	-
7	Durga Puri	Delhi	1449/136, 100 Ft Main Road, Durga Puri, Shahdara, Delhi	Rented	960000	-	-
8	Gurgaon	Haryana	Khasra no - 1976/2, Near Atul Kataria Chowk, Gurgaon	Rented	984000	-	-
9	Kamla Nagar	Delhi	4/11 Roop Nagar, Kamla Nagar, New Delhi	Rented	2520000	-	-
10	Mahagun Metro Mall	U.P.	Shop No - 117, First Floor, Mahagun Metro Mall, Vaishali, Ghaziabad	Rented	1080000	-	-
11	New Delhi		Khasra No.98/25, Swarn Park, Mundka, New Delhi.	Rented	1164000	-	-
12	New Delhi		Khasra No.749, Pirmi Road, Bakarwala Road, Mundka, New Delhi.	Rented	2236500	-	-
13	Dehradun	UK	C-9 & 10, Selaqui Industrial Area, Dehradun, UK	Lease		11041224	85466841
14	BADDI	HP	61, Batoli Kalan, Solan, Baddi, hp	Lease		21807938	21593024
15	BADDI	HP	63, Batoli Kalan, Solan, Baddi, hp	Lease		17187652	29641859.32



**SCHEDULE 11**  
**MATERIAL CONTRACTS**

1. Sanction Letter dated May 03, 2017 issued by HDFC Bank Limited to Company for sanction of Fund Based facility and Non-Fund Based facility of INR 1,442 million and Pre Settlement Risk (Fx PSR) – Simple Forward of INR 30 million.
2. Agreement for Auto Loan entered into between Kabeer Textiles Private Limited and HDFC Bank Ltd. for an amount of INR 14,321,650 on stamp paper bearing reference number IN-DL78839874755369N.
3. Sanction Letter dated July 25, 2012 issued by Fullerton India Credit Company Limited to M/s Nikhil International for sanction of secured term loan of INR 100 million.
4. Agreement for Term Loan entered between M/s Nikhil International and Fullerton India Credit Company Limited for sanction of secured term loan of INR 20,000,000 disbursed starting December 31, 2013.
5. Sanction Letter dated February 26, 2010 issued by Reliance Capital Limited for sanction of Loan Against Property of INR 15,08,00,000.
6. Sanction Letter dated October 31, 2009 issued by Reliance Capital Limited for sanction of Loan Against Property of INR 19,25,00,000.
7. Loan Agreement dated May 31, 2107 between Campus Activewear Private Limited and Reliance Capital Limited for sanction of secured term loan of INR 150 million.
8. Sanction Letter dated March 30, 2017 issued by HDFC Bank Limited to M/s Ankit International for sanction of Fund Based facility and Non-Fund Based facility of INR 505 million.
9. Lease Deed dated January 10, 2005 between Himachal Pradesh Housing & Urban Development Authority and M/s Nikhil International in respect of industrial plot no. 61 measuring 16,405.82 sq. m. in industrial area at Baddi (Bhatoli-Kalan), District Solan (H.P.).
10. Lease Deed dated November 10, 2005 between Himachal Pradesh Housing & Urban Development Authority, Shimla and M/s Ankit International in respect of industrial plot no. 62 measuring 11,394.78 sq. m. in industrial area at Baddi (Bhatoli-Kalan), District Solan (H.P.).
11. Lease Deed dated May 28, 2005 between U.P. State Industrial Development Corporation Limited and H.K. Agarwal s/o Shri Mange Ram Agarwal in respect of industrial plot no. C-9 and C-10 near 18 m wide road, Dehradun.
12. Lease Agreement dated March 09, 2017 between Shri Preetam Kumar s/o Shri Bansi Lal and Campus Activewear Private Limited in respect of area measuring 1000 sq. ft. approx. (super area), a part of Property No. 222, Block and Pocket C-7, Sector-7, Rohini, Delhi-110085.

13. Lease Agreement dated February 24, 2017 between Shree Bhupender Solanki and Ms Saroj Solanki, and Campus Activewear Private Limited in respect of area measuring 900 sq. ft. approx., Shop No. H-959, Palam Vihar Extension, Sec-7, Dwarka, New Delhi.
14. Lease Agreement dated March 16, 2017 between Shri Suresh Kumar Arya s/o Late Shri Chamanlal and Campus Activewear Private Limited in respect of area measuring 675 sq. ft. approx. (super area), a part of property no. 4/49, Double Storey, Tilak Nagar, New Delhi – 110018.
15. Assignment Deed dated May 17, 2017 between Shri Hari Krishna Agarwal trading as Nikhil International (a proprietorship firm) and Campus Activewear Private Limited for assignment of 32 Scheduled Trademarks.
16. Assignment Deed dated May 17, 2017 between Kabeer Textiles Private Limited and Campus Activewear Private Limited for assignment of 5 Scheduled Trademarks.
17. Assignment Deed dated March 29, 2016 between Action Shoes Private Limited and Campus Activewear Private Limited for assignment of 19 'said trademarks and copyrights'.
18. Agreement dated October 31, 2015 entered into between M/s Ankit International and Eternal HR Services Ltd, to be read along with addendum dated June 06, 2016 for providing contract manpower and staffing services.
19. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and Eternal HR Services Ltd for providing contract manpower and staffing services.
20. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and M/s Pawan Hans Associates for providing contract manpower and staffing services.
21. Endorsement Agreement dated January 07, 2015 entered into between M/s Nikhil International, Mr. Varun Dhawan and Matrix India Entertainment Consultants Private Limited to be read along with Deed of Adherence dated March 31, 2017 by and amongst Mr. Hari Krishan Agarwal, sole proprietor of Nikhil International and Campus Activewear Private Limited.
22. Agreement dated April 01, 2017 entered into between H&H Communications Private Limited and Campus Activewear Pvt. Ltd. to provide integrated market communication services.
23. Agreement between M/s Ankit International and M/s Aditi Security & Services effective July 01, 2016 for providing Security, Loading, Unloading, Gardening, Housekeeping and Material Shifting services.
24. Agreement between M/s Ankit International and M/s Trisha Enterprises effective March 01, 2016 for providing Security, Loading, Unloading, Gardening, Housekeeping and Material Shifting services.

25. Addendums issued to 450 employees by Campus Activewear Pvt. Ltd. dated April 01, 2017 for transferring their services to Campus Activewear Pvt. Ltd. from Nikhil International and Kabeer Textiles Pvt. Ltd.
26. Employment letter issued by Ankit International to Mr. Ashish Aswal dated 23.08.2016 for post of Assistant Manager – HR.
27. Agreement dated March 01, 2017 entered into between M/s Ankit International and Ranjeet Kumar, authorized signatory of Ranjeet Enterprises, for providing manpower for various specified jobs.
28. Agreement dated March 30, 2017 entered into between Campus Activewear Private Limited and Ranjeet Kumar, authorized signatory of Ranjeet Enterprises, for providing manpower for various specified jobs.
29. Agreement dated October 17, 2016 entered into between M/s Ankit International and Mr. Ramesh Verma, authorized signatory of M.S. Services Pvt. Ltd., for providing manpower for various specified jobs.
30. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and Mr. Ramesh Verma, authorized signatory of M.S. Services Pvt. Ltd., for providing manpower for various specified jobs.
31. Agreement dated April 30, 2016 entered into between M/s Ankit International and Major Anil Kumar Gupta, authorized signatory of Uttam Business Services LLP, for providing manpower for various specified jobs.
32. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and Major Anil Kumar Gupta, authorized signatory of Uttam Business Services LLP, for providing manpower for various specified jobs.
33. Agreement dated April 30, 2016 entered into between M/s Ankit International and Mr. Rishender Gupta, authorized signatory of Mercury Security Services, for providing manpower for various specified jobs.
34. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and Mr. Rishender Gupta, authorized signatory of Mercury Security Services, for providing manpower for various specified jobs.
35. Deputation Services Agreement dated July 01, 2017 entered into between Campus Activewear Private Limited and Randstad India Private Limited, for providing manpower for marketing/ sales job activities.
36. Agreement dated April, 2017 entered into between Campus Activewear Private Limited and Mr. Sachin Sharma, authorized signatory of G S Choudhary Enterprises, for outsourcing the work of various jobs.

37. Agreement dated March 29, 2017 entered into between M/s Sentinels Security Private Limited and M/s Ankit International for providing security services.
38. Agreement dated March 29, 2017 entered into between M/s Sentinels Security Private Limited and Campus Activewear Private Limited for providing security services.
39. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and Executive Protection Force Private Limited for providing security services.
40. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and M/s SKS Legal, Advocates & Labour Laws Consultant, through its authorized signatory Mr. Sunil Kumar Gupta, for providing consultancy services in the field of labour laws.
41. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and M/s N K Goel & Company, through its authorized signatory Mr. Naresh Goel, for providing consultancy services in the field of labour laws.
42. Agreement dated April 01, 2017 entered into between Campus Activewear Private Limited and M/s Pawan Kumar Gupta, through its authorized signatory Mr. Pawan Kumar Gupta, for providing consultancy services in the field of labour laws.
43. Agreement dated April 01, 2016 entered into between M/s Ankit International and Mr Harish Kumar Verma for providing consultancy services in the field of labour laws.
44. Agreement dated April 01, 2016 entered into between M/s Ankit International and Mr Aswani Gupta for providing consultancy services in the field of labour laws.
45. Agreement dated May 24, 2016 entered into between M/s Shivalik Solid Waste Management Limited and Campus Activewear Private Limited for treatment and management of Hazardous Waste.
46. Agreement dated June 08, 2017 entered into between Company and M/s Mehta Enterprises for making shoe uppers on behalf of the Company.
47. Agreement dated June 08, 2017 entered into between Company and M/s K. K. Enterprises for making shoe uppers on behalf of the Company.
48. Agreement dated June 08, 2017 entered into between Company and M/s Bablu Singh for making shoe uppers on behalf of the Company.
49. Agreement dated June 08, 2017 entered into between Company and M/s Sai Muskan Enterprises for making shoe uppers on behalf of the Company.
50. Agreement dated June 08, 2017 entered into between Company and M/s Kuldip Singh for making shoe uppers on behalf of the Company.
51. Agreement dated June 08, 2017 entered into between Company and M/s Sadhana Fabrication for making shoe uppers on behalf of the Company.



52. Agreement dated June 08, 2017 entered into between Company and M/s Satnarayan for making shoe uppers on behalf of the Company.
53. Agreement dated June 08, 2017 entered into between Company and M/s MSA Overseas Group for making shoe uppers on behalf of the Company.
54. Agreement dated June 08, 2017 entered into between Company and M/s Shiv Upper for making shoe uppers on behalf of the Company.
55. Agreement dated June 08, 2017 entered into between Company and M/s Mohammad Wali for making shoe uppers on behalf of the Company.
56. Agreement dated June 08, 2017 entered into between Company and M/s Manoj Hand Work for making shoe uppers on behalf of the Company.
57. Agreement dated June 08, 2017 entered into between Company and M/s Shri Hari Enterprises for making shoe uppers on behalf of the Company.
58. Agreement dated June 08, 2017 entered into between Company and M/s S K Enterprises for making shoe uppers on behalf of the Company.
59. Agreement dated June 08, 2017 entered into between Company and M/s D K Enterprises for making shoe uppers on behalf of the Company.
60. Agreement dated June 08, 2017 entered into between Company and M/s AU Fabrication for making shoe uppers on behalf of the Company.
61. Agreement dated June 08, 2017 entered into between Company and M/s Suraj Enterprises for making shoe uppers on behalf of the Company.
62. Agreement dated June 08, 2017 entered into between Company and M/s Parmeshwar Parshad for making shoe uppers on behalf of the Company.
63. Agreement dated June 08, 2017 entered into between Company and M/s Chirag Enterprises for making shoe uppers on behalf of the Company.
64. Agreement dated June 08, 2017 entered into between Company and M/s R K Enterprises for making shoe uppers on behalf of the Company.
65. Agreement dated June 08, 2017 entered into between Company and M/s Narender Enterprises for making shoe uppers on behalf of the Company.
66. Agreement dated June 08, 2017 entered into between Company and M/s Shubham Enterprises for making shoe uppers on behalf of the Company.
67. Agreement dated June 08, 2017 entered into between Company and M/s Radhe Enterprises for making shoe uppers on behalf of the Company.

68. Agreement dated June 08, 2017 entered into between Company and M/s A K Enterprises for making shoe uppers on behalf of the Company.
69. Agreement dated June 08, 2017 entered into between Company and M/s Chandan Enterprises for making shoe uppers on behalf of the Company.
70. An agreement to purchase dated 01 June 2017 for purchasing agricultural land has been executed by the Company. The Company has also made a payment of INR 7,146,000 towards the total purchase price.
71. An agreement to sell dated 26 May 2017 for purchasing an industrial land, building along with plant and machinery and other fixtures parcel has been executed by the Company. The Company has also made a payment of INR 9,666,691 towards the total purchase price.
72. An agreement to sell dated 26 June 2015 for purchasing an industrial land and building along with the furniture and fittings has been executed by AI. AI has also made a payment of INR 3,500,000 towards the total purchase price.
73. Deed of Admission (for admission of Company as partner in AI) dated March 25, 2017 executed between the Promoters and the Company.
74. Consultancy services agreement dated April 01, 2016 executed between Ankit International and Ashwani Gupta.
75. Consultancy services agreement dated April 01, 2016 executed between Ankit International and Harish Kumar Verma.

**SCHEDULE 12**  
**FINANCING**

Entity	Bank	Nature of facility	Outstanding amounts as on August 30, 2017 (INR in lakh)	Securities
Ankit International	HDFC Bank Limited	CC Limit	4919.32	Exclusive charge on current assets, movable fixed assets Plot No 62, Bhatoli Kalan, Baddi Solan in the name of AI & 42/42, Punjabi Bagh, New Delhi in the name of HK Agarwal, Vinod Agarwal, Nikhil Agarwal, Urmil Agarwal, & Ajay Agarwal and personal guarantees of HK Agarwal, Vinod Agarwal, Nikhil Agarwal
			4919.32	
Company	HDFC Bank Limited	CC Limit	12353.25	Exclusive charge on current assets, movable fixed assets, personal guarantees, corporate guarantee of MG Udyog, properties at: (a) Plot no 61, Bhatoli Kalan, Baddi Solan; (b) 42/42, Punjabi Bagh, New Delhi; (c) Plot no C-9 & C-10, Industrial Area, Dehradun; (d) H-6 Udyog Nagar, Delhi; (e) Plot no 13A (half portion) at Old Rohtak Road, Shahzada Bagh, Delhi; and (f) Plot no D-1 Udyog Nagar, Delhi
		Term Loan	501.00	
		TOD for Income Tax	1500.00	
			14354.25	
Company	Reliance Capital	New Term loan	100.00	Plot No D-14, Block-D, Udyog Nagar, New Delhi

Entity	Bank	Nature of facility	Outstanding amounts as on August 30, 2017 (INR in lakh)	Securities
	Limited			
		Term Loans	856.35	Plot No D-14, Block-D, Udyog Nagar, New Delhi
		Term Loans	910.31	Property At Killa Khasra No 16/23, Min 25/3, 25/4 Village Samalkha Tehsil Mehrauli
Company	Fullerton India Credit Company Limited	Term Loan	1026.00	Plot No J-17, Udyog Nagar, Delhi Owned By Sh Hk Agarwal and Personal Guarantee & Corporate Guarantees
Company	HDFC Bank Limited	Car Loan Mercedes	0.00	Car Loan

Total outstanding (INR in lakh)

22166.23

**SCHEDULE 13**  
**INTELLECTUAL PROPERTY**

**1. DOMESTIC TRADEMARKS.**

No.	Trade Mark	Type	Application No.	Status	Class	Proprietor Name	Validity
<b>I. NIKHIL INTERNATIONAL</b>							
1.	NIGHTRIDE (LABEL)	Colour	3141145	Registered	25	NI	December 29, 2025
2.	A-GEAR WITH LABEL	Device	1441591	Registered	28	NI	March 30, 2026
3.	A-GEAR WITH LABEL	Device	1441593	Registered	18	NI	March 30, 2026
4.	A-GEAR	Device	1441592	Registered	25	NI	March 30, 2026
5.	MONTAYA	Word	3143547	Registered	25	NI	December 30, 2025
6.	NIGHT RIDER	Device	3110940	Opposed	25	NI	Not applicable
7.	CMP	Device	3433582	Accepted and Advertised	25	NI	Not applicable
<b>II. CAMPUS ACTIVEWEAR PRIVATE LIMITED</b>							
8.	Campus JUNIOR	Device	1960482	Registered	35	CAPL	May 4, 2020
9.	LOGO with LABEL	Device	2054271	Registered	25	CAPL	November 16, 2020
10.	Campus JUNIOR WITH DEVICE	Device	1960481	Registered	28	CAPL	May 4, 2020
11.	CAMPUS	Word	887095	Registered	3	CAPL	November 17, 2009
12.	Campus junior	Device	1960479	Registered	18	CAPL	May 4, 2020
13.	Campus JUNIOR WITH DEVICE	Device	1960480	Registered	25	CAPL	May 4, 2020
14.	ROCKERS	Word	643166	Registered	25	CAPL	October 17, 2024
15.	ROCKERS	Device	652423	Registered	25	CAPL	January 17,

No.	Trade Mark	Type	Application No.	Status	Class	Proprietor Name	Validity
	DEVICE						2025
16.	SOFT WALK	Word	940755	Registered	25	CAPL	July 20, 2020
17.	CAMPUS	Word	887094	Registered	18	CAPL	November 17, 2019
18.	CAMPUS	Word	1038267	Registered	18	CAPL	August 20, 2021
19.	CAMPUS	Word	887092	Registered	25	CAPL	November 11, 2019
20.	CAMPUS THE YOUTH PARTY	Word	886225	Registered	25	CAPL	November 11, 2019
21.	CAMPUS	Word	539806	Registered	25	CAPL	November 12, 2024
22.	S D SYSTEM	Device	903357	Registered	25	CAPL	February 14, 2020
23.	A-GEAR	Word	747056	Registered	25	CAPL	May 5, 2027
24.	CPS	Word	1960478	Registered	28	CAPL	May 4, 2020
25.	SPRIGYFIT	Device	3057275	Advertised before acceptance	25	CAPL	--
26.	BIOKNIT	Device	3057276	Advertised before acceptance	25	CAPL	--
27.	IVI	Device	3089013	Advertised before acceptance	25	CAPL	--
28.	VEE DEE	Device	3110939	Advertised before acceptance	25	CAPL	--
29.	VD	Colour	3110941	Advertised before acceptance	25	CAPL	--
30.	TEASER	Word	3143546	Advertised before acceptance	25	CAPL	--
31.	CUBIC	Word	3143545	Advertised before acceptance	25	CAPL	--
32.	FLEX RIDE	Device	3316770	Advertised before acceptance	25	CAPL	--
33.	DUAL SOFT	Device	3316771	Advertised	25	CAPL	--

No.	Trade Mark	Type	Application No.	Status	Class	Proprietor Name	Validity
	(LABEL)			before acceptance			
34.	AB DAUDEGA INDIA	Device	3408210	Advertised before acceptance	25	CAPL	--
35.	J GEAR	Word	3403203	Advertised before acceptance	25	CAPL	--
36.	H GEAR	Word	3403201	Advertised before acceptance	25	CAPL	--
37.	L GEAR	Word	3403202	Advertised before acceptance	25	CAPL	--
38.	C GEAR	Word	3403200	Advertised before acceptance	25	CAPL	--
39.	'UU' INBERTED (LABEL)	Device	3496064	Objected	25	CAPL	--
40.	BATTLE	Device	3496065	Objected	25	CAPL	--
41.	CAMPUS	Device	3496066	Objected	25	CAPL	--
42.	CAMPUS-PLATINA	Word	3254359	Objected	25	CAPL	--
43.	CAMPUS-DURA +	Device	3254360	Objected	25	CAPL	--
44.	ROAMING	Word	3326660	Objected	25	CAPL	--
45.	CAMPUS KASCHOOL TIME	Word	3011370	Objected	25	CAPL	--
46.	'N LABEL'	Device	3052119	Objected	25	CAPL	--
47.	'U LABEL'	Device	3052120	Objected	25	CAPL	--
48.	TRIGGER	Device	3261193	Objected	25	CAPL	--
49.	QUIK FOAM	Device	3316772	Objected	25	CAPL	--
50.	BINGO	Word	3326661	Objected	25	CAPL	--
51.	CAMPUS-TRENDZ	Word	3254361	Objected	25	CAPL	--
52.	CAMPUS	Device	3243258	Objected	25	CAPL	--
53.	CAMPUS	Device	3243257	Objected	25	CAPL	--
54.	SILENCER	Word	3248857	Objected	25	CAPL	--
55.	SDS SYSTEM	Word	3248860	Objected	25	CAPL	--

No.	Trade Mark	Type	Application No.	Status	Class	Proprietor Name	Validity
56.	CAMPUS	Word	3248861	Objected	25	CAPL	--
57.	CAMPUS	Word	3248858	Objected	25	CAPL	--
58.	CAMPUS	Word	3248859	Objected	25	CAPL	--
<b>III. KABEER TEXTILES PRIVATE LIMITED</b>							
59.	ULTRA STRONG	Word	688950	Registered	7	KTPL	December 1, 2025
60.	ACTION Premium	Device	616135	Registered	25	KTPL	January 7, 2024
61.	Udaan with Label	Device	1460451	Registered	25	KTPL	June 2, 2026
62.	Natkhat	Device	1466734	Registered	25	KTPL	July 3, 2026
63.	Udaan with label	Word	1455404	Registered	25	KTPL	May 19, 2026

2. **DETAILS OF FOREIGN TRADEMARKS.**

Country	Trademark	Class	Filing / Application No.	Filing / Application Date	Status	Registration Date	Renewal Period
United Arab Emirates	CAMPUS	25	241736	October 13, 2015	Registered	May 31, 2016	October 13, 2025
Yemen	CAMPUS	25	71805	September 22, 2015	Application filed (pending)	-	-
Vietnam	CAMPUS	25	4-2015-25476	September 16, 2015	Application filed (pending)	-	-
Qatar	CAMPUS	25	100116	September 20, 2015	Application filed (pending)	-	-
Saudi Arabia	CAMPUS	25	1436026116	October 9, 2015	Registered	October 9, 2015	June 20, 2025
Bahrain	CAMPUS	25	112472	October 29, 2015	Application filed (pending)	-	-



**SCHEDULE 14**  
**FORMAT OF COMPLETION CERTIFICATE**

Date: [●], 2017

*[Insert names of the Investors]*

*[Insert address of the Investors]*

**Re: Completion Certificate**

We refer to the Share Subscription and Purchase Agreement, dated August 30, 2017, executed by and between the Company, the Promoters and the Investors (the "Agreement").

We hereby confirm, declare and certify that as of the date hereof:

1. Subject to the matters Fairly Disclosed in the Disclosure Letter in relation to the Warranties (except for Fundamental Warranties and the Company Tax Warranties, which shall not be qualified or limited, in any manner whatsoever), all of the representations and warranties made in, or pursuant to, the Agreement by the Promoters and the Company are true, complete and correct in all respects, in each case, as of the Completion Date and as of the date hereof as though made on the date hereof (except to the extent such representations and warranties speak as of an earlier date, in which case as of such earlier date);
2. No event or circumstance has occurred that would, and there are no events threatened (to the best of the knowledge of the Promoters and the Company) to, give rise to a Material Adverse Effect;
3. There is no instituted, pending, or, to the knowledge of the Promoters, threatened action or proceeding by any Person before any court or Governmental Authority against the Company and / or any of the Promoters, seeking to, or which could, impose or confirm limitations on the ability of the Investors to exercise full rights of ownership of the Subscription Shares in accordance with the terms of this Agreement, or seeking to prohibit or restrict the consummation of the Transactions; and
4. Each Target Group Entity and the Promoters, as of the Completion Date and as of the date hereof are in compliance in all respects with all statutory and regulatory requirements under Applicable Laws with respect to the Transaction.

Capitalized words and expressions used in this certificate but not defined herein shall have the same meaning as assigned to them in the Agreement.

Signed and delivered by  
Mr. Hari Krishan Agarwal

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Signed and delivered by  
Mr. Nikhil Aggarwal

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Signed and delivered by and on behalf of  
Campus Activewear Private Limited

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**SCHEDULE 15**  
**EMPLOYEE BENEFIT FUNDS**

1. EPF Act
2. ESI Act
3. Bonus Act
4. Gratuity Act

**SCHEDULE 16**  
**PRO-FORMA CONSOLIDATED ACCOUNTS**

<b>Profit &amp; Loss - INR mn</b>	<b>Q1FY18</b>
Footwear Sales - Offline	884
Footwear Sales - Online	7
Non Footwear Sales	2
<b>Net Sales - Total</b>	<b>893</b>
Cost of raw material consumed + change in Inventory	489
<b>Contribution Margin</b>	<b>403</b>
Direct Labour	37
Other Direct Expenses	32
<b>Gross Margin</b>	<b>335</b>
Advertisement and Sales Promotion	27
Employee Cost	43
Schemes, Claims & Discounts	38
Cartage Outward	10
Travelling & Conveyance Expenses	4
Other Expenses	29
<b>EBITDA</b>	<b>182</b>
Depreciation	16
Interest Cost	64
<b>Profit before Tax</b>	<b>102</b>

**SCHEDULE 17**  
**NET DEBT**

INR million	Note	31-Mar-17
<b>Reported debt</b>		
Borrowings		1,944
Less: Cash and bank		(42)
		<b>1,903</b>
<b>Debt like items</b>		
Buyer's credit	1	22
Overdue creditors	2	261
Capex creditors	3	7
Unfunded retirement benefits	4	16
Provision for income tax	5	192
Stamp duty on transfer of business to CAPL	6	NQ
		<b>498</b>
<b>Cash like items</b>		
Cheques not issued to vendors	7	(32)
<b>Tax matters to consider</b>	8	15
<b>Adjusted debt and debt like</b>		<b>2,384</b>
<b>Other considerations</b>		
Capital commitments net of advance towards new plants at Haridwar, Baddi and Gannaur	9	nq
Letter of credit outstanding	10	31

Source: Management information and KPMG analysis

**1. POTENTIAL ADJUSTMENTS.**

**1.1 Debt like items.**

- (a) **Buyer's credit facility.** Represents utilized limit of buyer's credit facility, classified as current liabilities in the financial statements. We have proposed an adjustment to reported debt being debt like in nature.
- (b) **Overdue creditors.** Represents unpaid trade creditors outstanding for more than 180 days. Credit terms agreed with suppliers vary from 90 to 120 days. Since few creditors are stretched beyond the normal credit period, we have considered them as a debt like item (i.e. INR 321 million outstanding for more than 180 days net off INR 60 million outstanding for more than 180 days at Mar-16).
- (c) **Capital creditors.** Represents amount outstanding towards capital creditors.
- (d) **Retirement benefits.** Net unfunded gratuity benefits have been considered as a debt like item. The amount has been calculated based on an actuarial valuation at Feb-17

- (e) **Provision for income tax.** We understand income tax dues for FY17 would be settled at the time of filing of returns. Being overdue in nature, we have considered the same as debt like.
- (f) **Stamp duty on transfer of business to CAPL.** Per the BTA agreements between KTPL and NI, stamp duty on transfer and registration of land and building at Baddi and Dehradun would be transferred to CAPL. Since this liability is debt like in nature, we have proposed an adjustment to reported debt.

1.2 **Cash like items.**

**Cheques not issued to vendors.** Management represented that there is a time lag between the preparation of the cheques by the management and issuance of these cheques to the vendors. Given the understanding that the payment entries to vendors are passed in the books at the time of preparation of these cheques, as a result, the reported cash and bank balance is lower to the extent of these cheques not issued to vendors.

1.3 **Tax matters to consider.** Based on tax advisors / PWC findings, certain tax exposures to be considered as net debt include:

- (a) Penalty on account of non disclosure and non-maintenance of TP records of inter unit transactions between Dehradun and Baddi units in the Transfer Pricing Report - INR 3.10 million
- (b) Tax exposure on interest expenditure disallowance on account of loan given to various parties - INR 12.15 million

1.4 **Other matters to consider.**

- (a) **Capital commitment, net of advances.** Management has plans to acquire land and building at Haridwar, Baddi and Ganaur and incur construction capex for a total consideration of INR 228 million from related entities/ individuals, which is subject to approvals from statutory authorities and seller's bankers. Till Mar-17, AI has paid INR 15 million towards Baddi land and building. In the absence of information around the complete project costs of setting up the plant at these locations, we were not able to quantify the outstanding capital commitments at Mar-17.
- (b) **Letter of credit outstanding.** Represents letter of credit facility availed by Campus as at 31 March 2017.