

Non Judicial



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Stamp Duty Paid : ₹ 5000
(Rs. Only)

Penalty : ₹ 0

(Rs. Zero Only)

Seller / First Party Detail

Name: Fractal Analytics Private limited

H.No/Floor : Plot61

Sector/Ward : 44

LandMark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone: 96*****93



Buyer / Second Party Detail

Name : Cuddle Artificial Intelligence private limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village: Mumbai

District : Mumbai

State : Maharashtra

Phone : 96*****93

Purpose : BUSINESS TRANSFER AGREEMENT

BUSINESS TRANSFER AGREEMENT

BY AND BETWEEN

CUDDLE ARTIFICIAL INTELLIGENCE PRIVATE LIMITED

AND

FRACTAL ANALYTICS PRIVATE LIMITED

TABLE OF CONTENTS

1. DEFINITIONS AND CONSTRUCTION	1
2. SALE AND PURCHASE OF THE TRANSFERRED BUSINESS	7
3. CONSIDERATION.....	8
4. COMPLETION OF SALE	9
5. CONDITIONS PRECEDENT.....	9
6. CLOSING.....	9
7. CONTRACTS	10
8. RECORDS	10
9. EMPLOYEES	11
10. OBLIGATIONS OF THE PARTIES AFTER CLOSING	11
11. REPRESENTATIONS AND WARRANTIES	13
12. INDEMNITIES	13
13. CONFIDENTIALITY	13
14. GENERAL PROVISIONS.....	14
ANNEXURE-1- LIST OF BUSINESS ASSETS AND LIABILITIES.....	21
ANNEXURE – 2 – LIST OF CONTRACTS AS ON EXECUTION DATE.....	20
ANNEXURE – 3 – CONDITIONS PRECEDENT.....	22
ANNEXURE – 4 - EMPLOYEES	24
ANNEXURE – 5 - REPRESENTATIONS AND WARRANTIES	25

BUSINESS TRANSFER AGREEMENT

This business transfer agreement is entered into on this 01st day of June, 2023, at Gurgaon

BETWEEN

CUDDLE ARTIFICIAL INTELLIGENCE PRIVATE LIMITED, a company duly incorporated under the Companies Act, 2013, having its registered office at Level 7, Commerz II, International Business Park, Oberoi Garden City, Off. W.E. Highway, Goregaon (E) Mumbai – 400063 and bearing corporate identification number U74999MH2016PTC283206 (hereinafter referred to as the “**Seller**”, which expression shall, unless repugnant to the meaning or context thereof, be deemed to include its successors in interest and permitted assigns) of the **One Part**;

AND

FRACTAL ANALYTICS PRIVATE LIMITED, a company incorporated in India under the provisions of the Companies Act, 1956, having its registered office at Level 7, Commerz II, International Business Park, Oberoi Garden City, Western Express Highway, Goregaon (E), Mumbai 400063 and corporate office at Level 2 Chimes Building Plot 61, Sector – 44, Gurugram 122003 and bearing corporate identification number U72400MH2000PTC125369 (hereinafter referred to as the “**Buyer**”, which expression shall, unless repugnant to the meaning or context thereof, be deemed to include its successors in interest and permitted assigns) of the **Other Part**.

The Seller and the Buyer are, wherever the context so requires, hereinafter collectively referred to as the “**Parties**” and individually as a “**Party**”.

RECITALS

WHEREAS:

- A. The Seller is, *inter alia*, engaged in the business of developing and providing artificial intelligence based business intelligence platform that delivers relevant insights to users on their smartphones and is the absolute owner of the Transferred Business (*as defined below*).
- B. The Buyer is, *inter alia*, engaged in the business of providing data analytics services solutions, database design and support, custom reporting, business strategy and consulting.
- C. The Buyer is desirous of purchasing from the Seller, and the Seller desires to sell, assign, convey, deliver and transfer to the Buyer, the Transferred Business on a Slump Sale (*as defined below*) basis as a going concern for a lump sum Consideration (*as defined below*), with effect from Closing, on the terms and subject to the conditions set out herein below.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants, agreements conditions, representations, warranties and promises contained herein and other good and valuable consideration (the receipt and adequacy of which is hereby acknowledged), the Parties, intending to be bound legally, agree as follows:

1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

When used in this Agreement, the defined terms set forth in this **Clause 1.1** shall have, unless otherwise required by the context thereof, the following meanings. Words and phrases defined within the body of this Agreement shall have the meaning ascribed to them at the relevant place.

- 1.1.1 “**Agreement**” shall mean this business transfer agreement including the annexures, schedules and appendices hereto, and shall include any amendments to this business transfer agreement as may be mutually agreed by the Parties in writing, in accordance with the terms of this Agreement.
- 1.1.2 “**Assumed Liabilities**” shall mean the liabilities relating to the Transferred Business, which have been agreed to be assumed by the Buyer from the date of Closing, but excluding the Excluded Liabilities and is more particularly set out in **Annexure - 1**.
- 1.1.3 “**Business Assets**” shall mean all assets, properties and rights relating to the Transferred Business owned by the Seller including the following, but excluding the Excluded Assets as more particularly listed in **Annexure - 1**:
- (a) the rights, interests and benefits in respect of all Contracts listed in **Annexure – 2**;
 - (b) all Intellectual Property used in relation to the Transferred Business, including, but not limited to (i) patents, trademarks, copyrights, designs, and trade secrets, , (ii) transferable Licenses¹ with respect to all computer software being used in connection with the Transferred Business; and (iii) Business Information held by the Seller which in any way relate to the Transferred Business; (collectively, the “**Business IPR**”);
 - (c) all the movable assets of the Transferred Business including without limitation all movables, furniture and fixtures, computers, servers, laptops, closed circuit television cameras, air conditioners, laptops, desktops, monitors, mouse, and computer accessories, stationery, books, periodicals, publications, mobile phones, internal information technology systems, and such other tangible movable property, which are owned and used by the Seller in respect of the Transferred Business;
 - (d) all account receivables or portions thereof, and other right to the receipt of the Seller (billed or accrued) in respect of the customers attributable to or arising out of the Transferred Business, if any and cash which pertains to the Transferred Business;
 - (e) the benefit of all rights and claims arising from, or coming into existence as a result of, the carrying on of the Transferred Business by the Seller;
 - (f) such other properties and assets, as well as the book assets whether capitalized or not (including capital work in progress), other than immovable assets, as may be owned or used by the Seller for the purposes of transferring and conducting the Transferred Business as a whole and on a going concern basis; and
 - (g) Goods and service tax (“**GST**”) input tax credit claimed in the books and GST returns of the Seller as per the provisions of Central Goods and Service Tax Act 2017 and Integrated Goods and Service Tax Act 2017.
 - (h) Any other assets as may be determined by the Parties

- 1.1.4 “**Business Information**” shall mean all the information pertaining to the Transferred Business (whether or not confidential or proprietary and in whatever form) including but not limited to all transferable Business IPR, registered or unregistered Intellectual Property, expertise and techniques and all Records held by the Seller and which in any way relate to the Transferred Business.
- 1.1.5 “**Buyer Conditions Precedent**” shall mean the Conditions Precedent as set out in **Part B of Annexure – 3**.
- 1.1.6 “**Buyer’s Warranties**” shall mean the representation and warranties of the Buyer as set out in **Part B of Annexure – 5** hereto.
- 1.1.7 “**Closing**” shall mean the occurrence of the events enumerated in Clause 6 signifying the completion of the transaction of sale and purchase of the Transferred Business as contemplated by this Agreement.
- 1.1.8 “**Conditions Precedent**” shall mean the Buyer Conditions Precedent and Seller Conditions Precedent as set out at **Annexure – 3**.
- 1.1.9 “**Contracts**” shall mean all valid and existing contracts, exclusively related to the Transferred Business including, without limitation, supplier contracts, vendor contracts, customer contracts, contracts with service providers and consultants, collaboration agreements, work orders, purchase orders or statement of works, etc. entered into by the Seller exclusively for the purposes of, or in connection with, the Transferred Business as may be transferred, as set out in Part A of **Annexure – 2**.
- 1.1.10 “**Definitive Agreements**” shall mean such agreements other than this Agreement, that shall be executed by the Parties and/or with third parties for consummation of the sale and purchase of the Transferred Business and for other connected purposes, which shall include, without limitation, novation agreements, assignment letters, termination deeds or other deeds in respect of the Contracts listed in Part B of **Annexure – 2**.
- 1.1.11 “**Employees**” shall mean the permanent employees who are engaged by the Seller and who are exclusively dedicated to the Transferred Business, the list of which is set out in **Annexure – 4**.
- 1.1.12 “**Encumbrance(s)**” shall mean any interest of any Person (*as hereinafter defined*), including without limitation, any claim relating to title, option, community property interest, equitable interest, right of first refusal, easement, deed of trust, hypothecation, right-of-way, encroachment, building or use restriction, conditional sales agreement, contingent sale or other title retention agreement, Licenses, any right to acquire, right to pre-emption or any right pursuant to any mortgage, charge, pledge, lien (statutory or otherwise), assignment, hypothecation, right of set-off, counter-claim, security interest, title, retention or any other security agreement or arrangement, in relation to the Transferred Business and other similar restrictions on transfer and restrictions on use in each case, whether voluntarily incurred or arising by operation of Law, and including any agreement to give any of the foregoing in the future. For the avoidance of doubt, any consents or approvals required from third parties to assign, convey or transfer the Business Assets in connection with the Closing shall not constitute an “Encumbrance”.
- 1.1.13 “**Excluded Assets**” shall mean the investments in subsidiary or mutual funds, benefit of all refunds, advances and other rights or claims in relation to Income Taxes (other than the GST input tax credit claimed in the books and GST returns of the Seller).

- 1.1.14 “**Excluded Liabilities**” shall mean the liabilities and/or obligations that accrue, relate to, arise in or are attributable to the period upto the Closing Date even if arising after the Closing Date, whether they have been identified or ascertained by the Parties or not, in relation to Income Taxes/other taxes/ statutory dues (other than gratuity) pertaining to the Transferred Business which the Seller shall continue to bear and assume.
- 1.1.15 “**Execution Date**” shall mean the date of execution of this Agreement.
- 1.1.16 “**Governmental Authorities**” shall mean any foreign, multinational, domestic, federal, territorial, national, state, municipal, provincial or local government (including any subdivision, court, administrative agency or commission or other authority thereof) or any quasi-governmental or any political, legislative, executive or administrative body, municipality or any local or other authority, regulatory authority, court, tribunal or arbitral tribunal (public or private) exercising any regulatory, taxation, or any powers conferred by Law in India or any other applicable jurisdiction (including the jurisdictions in which the Parties and/or its subsidiaries are incorporated and/or carry on any business or activities), commission, board, panel, bureau, agency or instrumentality, or any regulatory, administrative or other Law, rule or regulation-making or enforcing entity, department, agency, or any political or other subdivision, department or branch of any of the foregoing. For the avoidance of doubt, all references to Governmental Authority shall also include, without limitation, the President of India, the Government of India, the Governor and the Government of any State in India, any ministry or department of the same or any governmental or political subdivision thereof, the Reserve Bank of India, the Registrar of Companies, the relevant authorities for Business IPR and relevant authorities for employment benefits and under applicable employment and labour statutes.
- 1.1.17 “**Income Taxes**” shall mean any income tax, governmental charges, duties, levies, cess, including but not limited to Taxes on income, capital gains, profits, together with all interest, penalties and additions imposed with respect to such amounts including fringe benefit tax, withholding taxes, cess and surcharges with respect to the Transferred Business with reference to the period prior to the Closing Date and any interest, surcharges, penalties or additional Taxes payable in connection therewith².
- 1.1.18 “**INR**” or “**Indian Rupees**” means Rupee(s), the lawful currency of India, from time to time.
- 1.1.19 “**Intellectual Property**”, shall mean: (a) patents and applications therefor, together with all divisionals, continuations, continuations in part, reissues, re-examinations, renewals and extensions thereof, and all priority rights resulting from any of the foregoing; (b) Marks, logos, brand names and get-up, together with all appurtenant goodwill, along with renewals thereof; (c) copyright, whether or not registered or published, and registrations, recordations and applications for registration therefor and reversions, extensions and renewals thereof, including moral rights (including rights in computer software and any related source codes, object codes, and documentation related thereto), including renewals and extensions thereof, database rights; (e) rights in know-how, trade secrets, other rights in confidential information (including, without limitation, designs, research and development information, specifications, operating and maintenance manuals, methods, drawings, know-how, data, or trade secret protection, whether or not confidential); (f) rights of publicity; (g) industrial designs and applications and registrations therefor; and (g) Licenses,

sublicenses, and other agreements or permissions related to any of the foregoing property, and all 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.

- 1.1.20 “**Law**” shall mean all federal, state, provincial, municipal, local or foreign laws, statutes, code, ordinances, rule, notice, regulations, publicly available agency guidelines, principles of law, judgment, approval, concession, grant, franchise, directive, requirement, or other governmental restriction, any similar form of decision or approval of, or determination by, or any interpretation or administration of any of the foregoing by, any Governmental Authority and the published practice of any tax authority, policies and other pronouncements having the effect of laws of the applicable jurisdiction or jurisdictions, as the case may be, by the Republic of India by state, municipality, court, tribunal, agency, government, ministry, department, commission, board, bureau, or any instrumentality thereof. All references to “Law” shall be deemed to include any amendments thereto, and any successor Law, unless the context otherwise requires.
- 1.1.21 “**Licenses**” shall mean all licenses, permissions, authorizations (public or private), consents, approvals, certificates, permits or other evidence of authority issued by a Governmental Authority or any other Person relating to or utilized in connection with the Transferred Business or any part thereof or the Business Assets, including any and all consents and approvals required to be obtained from any Governmental Authority or any Person under any applicable Laws, Contract or otherwise, for the Seller to sell, assign, convey, deliver and transfer, or procure the sale, assignment, conveyance, delivery or transfer of the Transferred Business, to the Buyer.
- 1.1.22 “**Long Stop Date**” shall mean such date as may be mutually agreed to by the Parties; provided, however, that notwithstanding the foregoing, such date shall be not later than 60 (sixty) days from the date of fulfillment of the Conditions Precedent set forth in **Annexure – 3**.
- 1.1.23 “**Marks**” means fictional business names, corporate names, trade names, trade dress rights, registered and unregistered trademarks and service marks, domain names, social media identifiers, other indicia of source, origin, sponsorship, endorsement or certification, any registrations of any of the foregoing, and any applications for any of the foregoing or for such registrations, together with all goodwill associated with any of the foregoing.
- 1.1.24 “**Other Taxes**” shall mean any excise duty, entry tax / octroi, sales tax, goods and services tax, central sales tax, value added tax, service tax, customs duty, turnover tax, research and development cess, stamp duty, property tax, land revenue, profession tax, employment tax, energy tax and any other Tax or cess (other than Income Taxes) imposed by any Governmental Authority with respect to the Transferred Business with reference to the period prior to the Closing Date and any interest, surcharges, penalties or additional Taxes payable in connection therewith in India³.
- 1.1.25 “**Person**” shall mean and include any individual, sole proprietorship, partnership (general or limited), unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, corporation, company, limited liability partnership, limited liability company, joint venture, Governmental Authority or any other entity or any other form of business organization (whether

or not regarded as a legal entity under applicable Law) and a natural person in his capacity as trustee, executor, administrator, or other legal representative.

- 1.1.26 “**Records**” shall mean and include without any limitation, the files, books, records data and information of customers, vendors, consultants, Employees, and suppliers and any and all other documents/details/information relating to the Transferred Business, in the possession or control of the Seller, in whatever form and upon whatever media they may be recorded.
- 1.1.27 “**Seller Conditions Precedent**” shall mean the Conditions Precedent as set out in **Part A of Annexure – 3**.
- 1.1.28 “**Seller’s Warranties**” shall mean the representation and warranties of the Seller as set out in **Part A of Annexure – 5** hereto.
- 1.1.29 “**Slump Sale**” shall have the meaning ascribed to the term under section 2(42C) of the Income Tax Act, 1961.
- 1.1.30 “**Taxes**” shall mean all taxes, duties, cesses or other assessments in relation to the Transferred Business and shall include Income Taxes and Other Taxes payable in India⁴.
- 1.1.31 “**Transaction Documents**” shall mean this Agreement, the Definitive Agreements, and such other document or writing as may be executed pursuant to or incidental to, or in accordance with this Agreement.
- 1.1.32 “**Transferred Business**” shall mean the business as historically and currently operated by the Seller in relation to the intangible assets being developed under the trade name ‘Cuddle/Cuddle AI/ Crux Intelligence’ by engaging the Employees and the consultants, if any, and comprising of the Business Assets and the Assumed Liabilities.

1.2 **Construction**

- 1.2.1 Any reference in this Agreement to any statute or statutory provision shall be construed as including a reference to that statute or statutory provision as from time to time amended, modified, extended or re-enacted, whether before or after the date of this Agreement and to all statutory instruments, orders and regulations for the time being made pursuant to it or deriving validity from it.
- 1.2.2 The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “include”, “including” and “among other things” shall be deemed to be followed by “without limitation” or “but not limited to”, whether or not they are followed by such phrases or words of like import.
- 1.2.3 Unless the context otherwise requires, words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders and the words denoting persons shall include bodies corporate, unincorporated associations and partnerships.

- 1.2.4 Unless otherwise stated, time will be the essence for the purpose of either Party's obligations under this Agreement.
- 1.2.5 Unless otherwise stated, all references in this Agreement to clauses, annexures and paragraphs shall be construed as references respectively to the clauses, annexures, and paragraphs of this Agreement.
- 1.2.6 The recitals and annexures shall form an integral and operative part of this Agreement. All provisions contained in the annexures hereunder written shall have effect in the manner as if they were specifically set forth herein.
- 1.2.7 In the absence of a definition being provided for a term, word or phrase used in this Agreement, no meaning shall be assigned to such term, word, phrase which derogates or detracts from, in any way, the intent of this Agreement.
- 1.2.8 Each of the Seller Warranties and Buyer Warranties is separate and independent and none of the Seller Warranties or the Buyer Warranties shall be treated as qualified by any actual or constructive knowledge on the part of the other Party or any of its agents, representatives, officers, employees or advisers.
- 1.2.9 Where a particular word or term is defined, other grammatical forms of such word or term shall have a corresponding meaning.
- 1.2.10 Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.
- 1.2.11 "Consent" of any Party, unless otherwise provided in this Agreement, shall always mean prior written consent.
- 1.2.12 The words "directly or indirectly" mean directly or indirectly through one or more intermediary persons or through contractual or other legal arrangements, and "direct or indirect" shall have the correlative meanings.
- 1.2.13 Heading and bold typeface are only for convenience and shall be ignored for the purposes of interpretation.
- 1.2.14 Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in permanent visible form.

2. SALE AND PURCHASE OF THE TRANSFERRED BUSINESS

- 2.1 The Parties hereby agree that upon fulfilment of the Conditions Precedent set forth in **Annexure - 3** and on reliance upon the Seller's Warranties and the covenants and undertakings of the Seller and the Buyer's Warranties and the covenants and undertakings of the Buyer set forth herein, the Seller agrees to sell, assign, grant, convey, novate, deliver, and transfer, and the Buyer agrees to purchase, acquire, assume and accept, the Transferred Business, on a going concern basis by way of Slump Sale, with effect from the Closing Date, and other than as disclosed to the Buyer in writing, free of all Encumbrances, and the Buyer agrees to pay the Consideration to the Seller, on the Closing Date, subject to the terms and conditions of this Agreement.
- 2.2 Subject to Closing and with effect from the Closing Date, the transfer of the Transferred Business from the Seller to the Buyer shall take place by the Seller selling, transferring, assigning or novating and delivering, as the case may be, to the Buyer, the Business Assets, and thereby vesting the Buyer with legally valid and subsisting right, title and interest in the

- same, such that on, and with effect from the Closing Date, the Buyer shall be entitled to all rights, benefits, title, interest and awards in and pertaining to each of the Business Assets, to the extent and in the manner available to the Seller as on the Closing Date.
- 2.3 Subject to Closing, the Parties agree that:
- 2.3.1 the Buyer shall assume and be obliged to discharge all Assumed Liabilities, if any, on the Closing Date, and all liabilities and expenses relating to or payable or accruing in respect of the Transferred Business after the Closing Date, in relation to the Assumed Liabilities, and the Buyer shall also be entitled to all benefits pertaining to the Transferred Business that accrue after the Closing Date; and
- 2.3.2 the Seller shall continue to discharge all Excluded Liabilities and shall be entitled to all Excluded Assets.
- 2.4 On Closing, the Buyer shall, *inter alia*, have full rights, power and authority to conduct and carry on the Transferred Business in continuation of the Seller, subject to the Buyer procuring all necessary approvals to carry on the Transferred Business.
- 2.5 The Parties expressly agree and acknowledge that upon receipt by the Seller of the Consideration pursuant to, and in accordance with this Agreement, the Buyer shall alone be liable for the discharge or settlement of the Assumed Liabilities. The Buyer shall not be liable for any Excluded Liabilities and the Seller shall alone be responsible for discharge or settlement of all such Excluded Liabilities, Encumbrances or claims, with effect from the Closing Date.

3. CONSIDERATION

- 3.1 The consideration for the sale, assignment, transfer, conveyance and delivery of the Transferred Business as a going concern on a Slump Sale basis, by the Seller to the Buyer, on the terms and conditions stated in this Agreement, subject to Clause 3.2 below, shall be a lump sum amount of INR 83,700,000/ (Indian Rupees Eight crores thirty seven - Lakh only) ("**Consideration**") agreed between the Parties, the adequacy of which the Seller hereby confirms, and which shall be payable on the Closing Date.
- 3.2 On the Closing Date or such other date as mutually agreed, the Seller shall provide the Purchaser with:
- 3.2.1 the latest audited financial statements of the Transferred Business for financial year 2023-23 ("**Audited Financials**"); and
- 3.2.2 the details of adjustment to working capital in relation to the Transferred Business from the Execution Date till the Closing Date;
- and if the Parties are of the view that the Consideration needs to be adjusted to account for any working capital or any audit adjustments that may have been undertaken, then the Consideration paid by the Buyer to the Seller shall be adjusted accordingly.
- 3.3 The final amount of the Consideration confirmed or arrived at under Clause 3.2 above, shall be the Consideration payable by the Seller to the Buyer on the Closing Date
- 3.4 The Parties agree that any receivable amount owed from the Seller to the Buyer shall be set-off against the Consideration.

- 3.5 The Parties acknowledge and agree that the transaction shall constitute a Slump Sale of the Transferred Business, on a going concern basis, and for a lump sum consideration (being subject to Clause 3.2, the Consideration), with effect from the Closing Date.
- 3.6 The Parties shall execute the Definitive Agreements with respect to certain components comprised within the Transferred Business, solely for the purpose of fulfilling filing, stamping, registration or any other requirements under the applicable Laws, as may be required. However, determination and allocation of a value to any asset or liability comprised in the Transferred Business for the purpose of payment of stamp duty, registration fees or other similar Taxes or fees shall not be regarded as assignment of values to such individual assets or liabilities.
- 3.7 The Consideration will be paid by the Buyer to the Seller on the Closing Date, subject to Clause 3.2, by wire transfer of funds to the bank account of the Seller as may be intimated in writing to the Buyer before Closing. For the avoidance of doubt, such remittance to the bank account(s) of the Seller shall constitute the full and final payment of the Consideration and subject to Clause 10.1, no further or other amount shall be due from the Buyer to the Seller. On such remittance to the bank account(s) of the Seller, the Buyer shall be discharged of its obligation to pay the Consideration. For the avoidance of doubt, where post set off as per clause 3.4 should there be no outstanding to payable to Buyer, such set off shall constitute full and final payment of the Consideration and subject to Clause 10.1, no further or other amount shall be due from the Buyer to the Seller. On such set off, the Buyer shall be discharged of its obligation to pay the Consideration.

4. COMPLETION OF SALE

The sale, assignment and transfer of the Transferred Business from the Seller to the Buyer shall become final and binding on the Parties with effect from the Closing Date.

5. CONDITIONS PRECEDENT

- 5.1 The obligation of the Buyer to purchase the Transferred Business under this Agreement is conditional upon the fulfillment of the Seller Conditions Precedent as set out at **Part A of Annexure – 3** to the satisfaction of the Buyer, on or before the Long Stop Date, unless waived in writing by the Buyer.
- 5.2 The obligation of the Seller to transfer the Transferred Business to the Buyer is conditional upon the fulfillment of the Buyer Conditions Precedent as set out in at **Part B of Annexure – 3** to the satisfaction of the Seller, on or before the Long Stop Date, unless waived in writing by the Seller.
- 5.3 The Parties undertake to use all reasonable endeavours to ensure that the Conditions Precedent are satisfied as soon as possible and in any event on or before the Long Stop Date.
- 5.4 From the Execution Date to the Closing Date, the Seller shall ensure that it continues to carry on the Transferred Business in the ordinary course that is consistent with past customs and business practices.

6. CLOSING

- 6.1 The Closing shall take place at the office of the Seller or at any other place mutually agreed in writing by the Parties hereto on a date notified by the Buyer to the Seller in writing (“**Closing Date**”).
- 6.2 At Closing, and subject to the terms and conditions of this Agreement, the following events shall occur simultaneously:

- 6.2.1 On or prior to the Closing Date, subject to Clause 3.2, the Buyer shall pay to the Seller, the balance Consideration, if any, by wire transfer to the bank account of the Seller as may be intimated to the Buyer in writing at least 2 (two) days before the Closing Date (payment and receipt whereof the Seller will admit and acknowledge) or such other mode of payment as maybe agreed between the Parties.
 - 6.2.2 The Seller shall deliver to the Buyer a certified true copy of the resolution of the board of directors of the Seller authorizing the execution of and the performance by it of its obligations under this Agreement.
 - 6.2.3 The Buyer shall deliver to the Seller a certified true copy of the resolution of the board of directors of the Buyer authorizing the execution of and the performance by it of its obligations under this Agreement.
 - 6.2.4 The Seller shall deliver physical or constructive possession of all movable assets to the Buyer by way of a delivery note.
 - 6.2.5 The Parties shall execute duly stamped termination deeds in respect of the Contracts set out at serial numbers [-], [-] of Part B of Schedule 2.
- 6.3 . All proceedings to be taken and all documents to be executed and delivered by the Parties at the Closing shall be deemed to have been taken and executed simultaneously at the Closing and no proceedings shall be deemed to be taken nor any documents executed or delivered at the Closing until all have been so taken, executed and delivered.

7. CONTRACTS

- 7.1 The Buyer shall, from Closing become entitled to all of the Seller's rights, title, benefits and interests of any kind, wherever located, whether tangible or intangible, real, personal or mixed, owned, held or used by the Seller and related to the Contracts.
- 7.2 The Seller will assign or otherwise novate or transfer to the Buyer, with effect from the Closing Date, all Contracts as they exist as on the Closing Date, along with all rights, benefits and obligations therein. The Seller shall obtain agreement of all counter-parties necessary, to the extent practicable prior to the Closing Date, to authorize, approve, or fulfill this covenant, including making written requests for assignment, novation and transfer, as the case may be, of such Contracts in favour of the Buyer and shall comply promptly with all conditions and stipulations reasonably imposed by such counter-parties in connection with the granting of any such consent, authorization or approval. The Seller shall hold in bare trust for the Buyer all the economic and other rights and benefits in such Contracts until the completion of such assignment or novation.
- 7.3 The Buyer undertakes to the Seller that from Closing, it shall assume the obligations under the Contracts. The Parties agree that the Seller shall continue to carry out and perform all the obligations and liabilities created by or arising under the Contracts until Closing.

8. RECORDS

- 8.1 The Seller's obligation to deliver the Records to the Buyer on the Closing Date shall be as follows:
 - 8.1.1 The Seller shall deliver all Records which relate exclusively to the Transferred Business.

- 8.1.2 The Seller shall be entitled to deliver copies (and retain the originals) of Records where retention of the originals of the relevant Records is necessary in order for the Seller to comply with any applicable Laws.

9. EMPLOYEES

- 9.1 No later than 15 (fifteen) days prior to the Closing, the Buyer shall make a written offer of employment to the Employees to be employed by the Buyer, effective as of the Closing Date, in a form mutually agreed between Parties.
- 9.2 The Buyer shall, on and from the Closing Date, take over all Employees of the Seller employed for the purpose of the Transferred Business who have consented to be transferred to the Buyer, without any interruption in service as a result of the transfer of such Employees to the Buyer, on conditions of service not less favourable enjoyed by the Employees prior to the Closing Date (including in relation to the level of remuneration, contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, and any other retirement benefits) and such services shall be reckoned from their respective dates of employment with the Seller in accordance with the terms of their employment and the applicable Laws.
- 9.3 The Buyer shall provide the Employees with continuity of service to include the period of their employment with the Seller when determining the statutory benefits which the Employees are entitled to.
- 9.4 The Buyer shall be responsible for complying with applicable Laws in connection with the employment of the Employees with effect from the Closing Date and shall pay and be responsible for the fulfillment of all liabilities, including, but without limitation, payment of gratuity, bonus under the applicable Laws, rules and regulations with effect from the Closing Date. The Seller shall be responsible for complying with applicable Laws in connection with the employment of the Employees up to the Closing Date and shall pay and be responsible for the fulfillment of all liabilities, including, but without limitation, payment of gratuity, bonus under the applicable Laws, rules and regulations up to the Closing Date.
- 9.5 The Seller agrees to co-operate with the Buyer to transfer in the name of the Buyer all provident fund amounts, gratuity amounts, employees' state insurance contributions, and any other amounts, as applicable, pursuant to the employee benefit plans maintained by the respective Seller in relation to the Employees who are transferred to the Buyer. For avoidance of doubt, if any Employee has not given consent to be transferred to the Buyer, he/she shall not be transferred to Buyer.

10. OBLIGATIONS OF THE PARTIES AFTER CLOSING

- 10.1 All assets and liabilities pertaining to the Transferred Business shall be recorded in the books of accounts of the Buyer, as at the close of business hours on the Closing Date. The Parties shall co-operate with each other in settling any dues owed to each other as a result of any adjustments arising out of the finalization of the Consideration as per Clause 3.2.
- 10.2 The Seller undertakes to intimate and refer to the Buyer forthwith, upon receipt of any orders or enquiries in relation to the Transferred Business which it may receive at any time after Closing. The Seller further undertakes that after the Closing Date, in case the Seller receives any amounts or incurs any Assumed Liability, relating to an event after the Closing Date, whatsoever, in relation to the Transferred Business, then the Seller shall, forthwith account for such receipt of such monies and/or incurring of such liabilities, to the Buyer.

- 10.3 Following the Closing Date, each of the Seller and the Buyer shall, from time to time, provide such assistance as may be required by the other Party in connection with settling any amounts owed to the other Party (including, without limitation, under any invoices raised by third parties) under this Agreement.
- 10.4 The Seller and the Buyer shall take all such steps as may be necessary for novation and/or assignment of all Contracts or agreements, as may be required, in favour of the Buyer, with effect from the Closing Date.
- 10.5 If any Business Asset or interest which forms part of the Transferred Business or any part thereof is retained by the Seller or has not been transferred to, or is not owned by or vested in the Buyer on the Closing Date:
 - 10.5.1 the Seller shall promptly transfer such Business Asset or interest to the Buyer, on the terms that no separate consideration is required to be provided or paid by the Buyer for such transfer and the costs of any such transfer shall be borne by the Seller. The Seller shall, at its own cost and expense, execute or do or procure to be executed or done all such documents and things as may be necessary to validly effect the transfer and to vest the relevant Business Asset in the Buyer.
 - 10.5.2 the Buyer and the Seller agree that such transfer is a transfer of bare legal title only and that beneficial title to such asset, liability or interest is transferred on Closing.
- 10.6 Following the Closing Date, the Sellers shall promptly intimate and make requisite filings to all the Governmental Authorities and third persons of the transfer of the Transferred Business to the Buyer, as may be legally required, and execute, and deliver all such forms and documents, as may be necessary to transfer to the name of the Buyer, all Licenses, provident fund amounts, gratuity amounts, employees' state insurance contributions, and any other amounts, as applicable, pursuant to the employee benefit plans maintained by the Seller in relation to the Employees. Further, the Buyer shall provide all reasonable support and cooperation to the Seller for any reporting, filing or furnishing information or responding to any notices, claims or proceedings that may be raised at any time after the Closing Date by any public or statutory authority or as required by applicable Law in relation to the operation of the Transferred Business prior to the Closing Date.
- 10.7 Also following the closing date the sellers shall make requisite filings to the Governmental Authorities as may be legally required and necessary to transfer to the name of the buyer the GST input tax credit.
- 10.8 The original copies of the documents containing the Business Information (other than expired or terminated contracts) shall be physically delivered by the Seller to the Buyer promptly after Closing. Where the Seller is required by Law to retain original Business Information documents, the Seller may provide copies of such Business Information documents to the Buyer.
- 10.9 The Seller shall execute and deliver Definitive Agreements for the assignment, transfer or novation and registration of the Business IPR in favour of the Buyer and make requisite filings with the Governmental Authorities post the Closing.
- 10.10 The Buyer shall obtain necessary insurance policies in relation to the Transferred Business post the Closing.
- 10.11 The Parties may make such arrangements for sharing costs and expenses incurred by the Seller on behalf of the Buyer, as may be required and such monies may be adjusted against the full and final Consideration as due and payable to the Seller.
- 10.12 The Seller shall make necessary applications, and shall ensure that the Buyer receives all

such documents and Records, as may be required, in order to ensure that all third party software (including, without limitation, all computer software) comprised in the internal information technology systems and used in connection with the Transferred Business become available to the Buyer after the Closing Date.

- 10.13 The Parties shall do all such acts, deeds, matters and things as may be necessary for consummation of the transactions contemplated by this Agreement.

11. REPRESENTATIONS AND WARRANTIES

- 11.1 The Seller represents and warrants to the Buyer as set out in **Part A of Annexure – 5** (collectively, the “**Seller’s Warranties**”).

- 11.2 The Buyer represents and warrants to the Seller set out in **Part B of Annexure – 5** (collectively, the “**Buyer’s Warranties**”).

12. INDEMNITIES

- 12.1 The Seller (“**Indemnifying Party**”) hereby indemnifies and agrees to defend and hold harmless, the Buyer and its officers, directors, representatives, agents, and employees (collectively, the “**Indemnified Party**”), against and in respect of any and all claims, actions, demands, losses, damages, liability, judgments, settlement amounts and/or costs, incurred or suffered as a reason of or resulting or arising from or in relation to:

12.1.1 any default, breach or inaccuracy of the Seller’s Warranties; or

12.1.2 any default or breach by the Seller of any of its covenants or obligations under this Agreement.

- 12.2 The Seller’s Warranties shall survive until 6 (six) months following the Closing Date after which time the Indemnified Party shall not be entitled to provide notice of any claim with respect to a breach of the Seller’s Warranties to the Indemnifying Party. For the avoidance of doubt, the Indemnifying Party shall not be liable for any claim that arises or is raised after the expiry of the sixth month from the Closing Date.

13. CONFIDENTIALITY

- 13.1 The Parties recognize that they will be given and have access to confidential information, whether or not such information is marked or designated as “confidential” or “proprietary”, relating to another Party and its business(es) including without limitation legal, financial, technical, commercial, marketing and business related records, data, documents, reports, etc., client information, Intellectual Property rights (including trade secrets), the terms of this Agreement and details of negotiations between the Parties (“**Confidential Information**”). The Parties undertake not to use any of such Confidential Information for purposes other than for the purposes of the transaction set out herein, without the prior written consent of the Party owning such information and shall use reasonable efforts to keep confidential and not to disclose to any third party, the other Parties’ Confidential Information.

- 13.2 The obligations of confidentiality shall not apply to any information that:

13.2.1 was developed independently by a Party;

13.2.2 was known to a Party prior to its disclosure by the disclosing Party;

13.2.3 has become generally available to the public (other than by virtue of its disclosure by the receiving Party in breach of the provisions of this Clause 13);

- 13.2.4 may be required in response to any summons or subpoena or in connection with any litigation, enquiry or investigation; or
- 13.2.5 may be required to comply with any Law, order, regulation or ruling applicable to any Party hereto.
- 13.3 Provided that prior to any disclosure in respect of a request to disclose Confidential Information under Clauses 13.2.4 or 13.2.5, to the extent practicable and legally permissible, a Party shall immediately notify the other Party owning such Confidential Information, who shall then have the opportunity to respond to and/or dispute such request. The provisions of this Clause shall survive for a period of 2 (two) years from the Closing Date.
- 13.4 Subject to compliance with applicable orders, regulation, or Law, neither Party may make or send a public announcement, press release or communication concerning the other Party or any aspect of this Agreement, including its existence, unless it has first obtained the other Party's written consent.

14. GENERAL PROVISIONS

14.1 Notices

- 14.1.1 Any notice or other communication required to be sent under this Agreement shall be sent or delivered to the receiving Party at the address set forth herein, or at such other address as the Parties may from time to time designate in writing:

For the Buyer:

Address: Level 7, Commerz II, International Business Park,
Oberoi Garden City, Western Express Highway,
Goregaon (E), Mumbai 400 063

E-mail: legal@fractal.ai

Attention: Head of Legal

For the Seller:

Address: Level 7, Commerz II, International Business Park,
Oberoi Garden City, Western Express Highway,
Goregaon (E), Mumbai 400 063

E-mail: Somya.Agarwal@fractal.ai

Attention: Somya Agarwal

- 14.1.2 Any notice or other communication shall be sent by registered mail with acknowledgement due or by hand delivery.
- 14.1.3 All notices referred in this Agreement or other communications shall be deemed to have been duly given or made on receipt of acknowledgement. In the event a Party refuses delivery or acceptance of a notice under this Agreement, it shall be deemed that the notice was given upon proof of the refused delivery, provided the same was sent in the manner specified in this Agreement.

14.2 Entire Agreement

This Agreement constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof as of the Execution Date and supersedes all or any prior negotiations, representations, understandings or agreements, either written or oral, between or among the Parties hereto with respect to the specific subject matter hereof.

14.3 Governing Law

This Agreement and the rights and obligations of the Parties hereunder and all matters arising from it (including all non-contractual obligations) shall be construed in accordance with and be governed by the Laws of India.

14.4 Jurisdiction

Each Party agrees that the courts of Gurgaon have jurisdiction with respect to any disputes arising from and out of the provisions of this Agreement.

14.5 Waiver

14.5.1 No waiver of any right, power or remedy provided under this Agreement shall take effect unless it is in writing and signed by authorised representatives of the Party giving the waiver.

14.5.2 No failure or delay on the part of any of the Parties to this Agreement relating to the exercise of any right, power, privilege or remedy provided under this Agreement shall operate as a waiver of such right, power, privilege or remedy or as a waiver of any preceding or succeeding breach by the other Party to this Agreement, nor shall any single or partial exercise of any right, power, privilege or remedy preclude any other or further exercise of such or any other right, power, privilege or remedy provided in this Agreement, all of which are several and cumulative and are not exclusive of each other, or of any other rights or remedies otherwise available to a Party at Law or in equity.

14.6 Amendment

No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by the Parties.

14.7 Severability

14.7.1 If any of the provisions of this Agreement may be constructed in more than one way, one of which would render the provision illegal or otherwise voidable or unenforceable, such provision shall have the meaning that renders it valid and enforceable. The language of each provision of this Agreement shall be construed according to its fair meaning and not strictly against any Party.

14.7.2 In the event any Governmental Authority shall determine that any provision in this Agreement is not enforceable as written, the Parties agree that such provision shall be amended so that it is enforceable to the fullest extent permissible under the Laws and public policies of the jurisdiction in which enforcement is sought, and affords the Parties the same basic rights and obligations and has the same economic effect as prior to amendment.

14.8 Assignment

Neither Party shall assign its rights or obligations under this Agreement to any other Person without the prior written consent of the other Party.

14.9 Counterparts

This Agreement may be signed in any number of counterparts, each of which is an original and all of which, taken together, constitutes one and the same instrument. Delivery of a counterpart of this Agreement by email shall be an effective mode of delivery.

14.10 Relationship

Save as provided in this Agreement, none of the Parties shall have any right, power or authority, whether express or implied, to enter into, assume any duty or obligation on behalf of or bind any of the others and nothing in this Agreement shall constitute a partnership, joint venture, relationship of principal or agent between any of the Parties.

14.11 Survival

Clause 1.1 (Definitions), Clause 1.2 (Construction), Clause 6 (Closing), Clause 11 (Representations and Warranties), Clause 12 (Indemnities), Clause 13 (Confidentiality), Clause 14.1 (Notices), Clause 14.3 (Governing law), Clause 14.4 (Jurisdiction), Clause 14.14 (Costs) and this Clause 14.11 (Survival) shall remain in effect together with such provisions which expressly or by implication will survive termination.

14.12 Construction

Each Party represents, warrants and acknowledges that it has read and understood the terms and conditions of this Agreement and has sought necessary advice in relation to this Agreement and that the Agreement or any other documentation will not be construed in favour of or against either Party due to that Party's drafting of such documents.

14.13 Force Majeure

Neither Party shall be liable to the other for any loss, delay, damage or other casualty suffered or incurred by the other owing to fires, explosions, acts of God, war, action of any Governmental Authority or for any other cause which is beyond the reasonable control of that Party. Any failure or delay by any Party in the performance of any of its obligations under this Agreement owing to one or more of the foregoing causes shall not be considered breach of this Agreement. The Parties agree that any financial failure or non-performance of any financial obligations or covenants of the Parties shall not constitute a force majeure event.

14.14 Costs

Subject to the terms of this Agreement, each Party shall bear their own costs and expenses relating to the negotiation, preparation and implementation of this Agreement (and the documents referred to herein) and the matters referred to herein including all out of pocket expenses and disbursements, irrespective of whether Closing has occurred or not.

14.15 Stamp duty

Any stamp duty related costs payable in relation to the Transaction Documents and the transactions contemplated thereunder shall be borne by the Buyer.

14.16 Further Assurances

- 14.17 Each Party shall execute or cause to be executed such further documents as may be required to give effect to the provisions of this Agreement.
- 14.18 The Seller shall extend all necessary cooperation and execute such further documents as may be necessary, to enable the Buyer to procure all such Licenses and do all such acts or deeds as would be required by the Buyer, for running and operating the Transferred Business in its own name.

[Signature page follows]

Privileged and confidential

IN WITNESS WHEREOF, the Parties hereto have signed and executed this Agreement on the day and year first above written.

FOR AND BEHALD OF **FRACTAL ANALYTICS PRIVATE LIMITED** BY **MR. SRIKANTH VELAMAKANNI** (AUTHORIZED SIGNATORY) PURSUANT TO THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF THE BUYER DATED APRIL 26, 2023



(SRIKANTH VELAMAKANNI)

Privileged and confidential

FOR AND BEHALF OF **CUDDLE ARTIFICIAL INTELLIGENCE PRIVATE LIMITED BY MS. SOMYA AGARWAL** (AUTHORIZED SIGNATORY) PURSUANT TO THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF THE SELLER DATED APRIL 26, 2023



(SOMYA AGARWAL)

ANNEXURE – 1 – LIST OF BUSINESS ASSETS AND LIABILITIES

A. ASSETS TRANSFERRED

a

Name
Computers
Intellectual property
Advance to Vendors
GST Input Credit
Prepaid expenses

B. LIABILITIES TRANSFERRED

Name
Provision for Gratuity
Accounts Payable
Provision for Bonus
Provision for accruals/Expense (Ascertained Liability)

C. EXCLUDED ASSETS

Name
Investment in Cuddle.ai INC
Income Tax Credits
Cash/Bank

D. EXCLUDED LIABILITY

Name
Intercompany loan (to be adjusted against the slump sale consideration)

ANNEXURE – 2 – LIST OF CONTRACTS AS ON EXECUTION DATE

PART A

#	Name of the party	Nature of Contract	Execution date of the contract
1.	Mediaagility India Pvt. Ltd.	Cloud services	August 26, 2020
2	Embee Software Private limited	Cloud services	Basis Purchase order issued
3	Fractal Analytics Inc	Distribution Agreement	April 1, 2019
4	Fractal Analytics Private Limited	Distribution Agreement	April 1, 2020
5	Cuddle ai Inc	Service Agreement	April 1, 2020

PART B

#	Name of the party	Nature of contract	Execution date of the contract
1	Mediaagility India Pvt. Ltd.	Novation to Cloud services agreement	On or before 1 June 2023
2	Embee Software Private limited	Novation to Cloud services agreement	On or before 1 June 2023
3	Fractal Analytics Inc	Novation to Distribution Agreement	On or before June 1, 2023
4	Fractal Analytics Pvt Ltd	Termination to Distribution Agreement	On or before June 1, 2023
5	Cuddle ai Inc	Termination to Services Agreement	On or before June 1, 2023

ANNEXURE – 3 – CONDITIONS PRECEDENT

PART A SELLER CONDITIONS PRECEDENT

The Closing shall be subject to satisfaction of the below mentioned Conditions Precedent by the Seller, unless waived in writing by the Buyer in accordance with the provisions of this Agreement, on or before the Long Stop Date:

- (a) The board of directors of the Seller having passed necessary resolutions, authorizing:
 - (i) execution of the Transaction Documents and performance by the Seller of its obligations under the Transaction Documents.
 - (ii) the Seller to negotiate, finalize, execute, and deliver the Transaction Documents.
 - (iii) transfer of the Transferred Business to the Buyer for the Consideration, on the terms and conditions set out under the Transaction Documents.
 - (iv) such other actions as may be necessary for the consummation of the transactions contemplated in, and for giving effect to the provisions of, the Transaction Documents or as may be necessary in accordance with the articles of association of the Seller for giving effect to the provisions of the Transaction Documents.
 - (v) such other actions as may be necessary in accordance with the articles of association of the Seller, in relation to the transactions contemplated by the Transaction Documents.
- (b) The Seller having received a written approval from the relevant banking authorities, if any, for transfer of the Transferred Business to the Buyer.⁵
- (c) The Seller having executed letters of transfer with all such Employees who have consented to being transferred pursuant to transfer of the Transferred Business to the effect that from the Closing Date, the Employees shall be in the employment of the Buyer and that such transfer shall not affect continuity of service of the Employees in any manner.
- (d) The Seller having executed assignment agreements, in a form acceptable to the Buyer, for the transfer of all the Business IPR being developed under the tradename 'Cuddle/Cuddle AI/Crux Intelligence', along with necessary rights and ownership as of the Closing Date, to the Buyer.
- (e) The Seller having executed requisite tripartite novation agreements with the Buyer and the concerned counter-parties to the Contracts set out in Part A of **Annexure – 2**, in a form acceptable to the Buyer, to novate such Contracts, in favour of the Buyer to substitute the Buyer as a party to the Contract in place of the Seller.

PART B
BUYER CONDITIONS PRECEDENT

The Closing shall be subject to satisfaction of the below mentioned Conditions Precedent by the Buyer, unless waived in writing by the Seller on or before the Long Stop Date:

- (a) The board of directors of the Buyer having passed necessary resolutions, authorizing:
 - (i) execution of the Transaction Documents and performance by the Buyer of its obligations under the Transaction Documents.
 - (ii) the Buyer to negotiate, finalize, execute, and deliver the Transaction Documents.
 - (iii) acquisition of the Transferred Business from the Seller for the Consideration, on the terms and conditions mentioned, set out under the Transaction Documents.
 - (iv) such other actions as may be necessary for the consummation of the transactions contemplated in, and for giving effect to the provisions of, the Transaction Documents.
- (b) The Buyer having executed an offer/appointment letter along with other related documents, including in relation to the Business IPR, non-complete or confidentiality/non -disclosure or such letters and documents, with each Employee who has consented to being transferred pursuant to the transfer of the Transferred Business.

ANNEXURE – 4 - EMPLOYEES

Employee Name	Employee ID
Sagar Lokare	F10573
Shivi Srivastava	F02889
Varun Gupta	F03756
Beena Sarkar	F04046
Utkarsh Shrivastava	F08004
Ramaswamy Iyer	F08224
Preeta Shah	F08512
Siddhant Nimbalkar	F08998
Salman Khan	F09297
Kinjal Bhagat	F09432
Neha Prabhugaonkar	F01645
Abhishek Vichare	F02665
Harikrishnan Anandaraj	F09087
Ritik Jain	F07021
Taaniya Arora	F05508
Taher Dhillawala	F08097
Shashank Srivastava	F09275
Vikram Singh	F08545
Prakhar Sikka	F03710
Aashim Raj	F08446
Sharvari Marathe	F08826
Sumith Balagangadharan	F00397
Suman Das	F07479
Unnikrishnan Sureshkumar	F00872
Sujeet Kumar	F01718
Ankita Sawant	F02144
Nehal Gala	F01991
Prasad Bari	F02342
Priyanka Jadhav	F09098
Palakh Kanwar	F09405
Forum Sheth	F05646
Azim Sain	F05884
Rohan Baxi	F08208
Ganesh Subramanian	F00310
Shubhendu Vimal	F04664
Vivek Natarajan	F06870
Aditya Godawat	F03238
RajKumar R D	F05739
Pranav Joshi	F08126
Prizcyla Cobos	F07378
Michael Dean	F09179

ANNEXURE – 5 - REPRESENTATIONS AND WARRANTIES

PART A SELLER WARRANTIES

Subject to the specific disclosures made by the Seller to the Buyer in writing as on the Execution Date (“**Disclosure Letter**”) (provided, that disclosure in any section of the Disclosure Letter shall apply only to the representation / warranty against which it is specifically disclosed), the Seller hereby represents, warrants, and undertakes the following:

1. Status:

- (a) The Seller is a private limited company, duly incorporated under the Laws of India;
- (b) The Seller has the power and authority (including under its constitutional documents) to own its assets, including the Business Assets, and conduct its business, including the Transferred Business, as presently conducted.
- (c) To the best of its knowledge, the Seller has complied with all applicable Laws in relation to the Transferred Business, and the terms and conditions on which all Licenses, permits and authorizations have been issued to it in relation to the Transferred Business; and
- (d) To the best of its knowledge, the Seller has filed all statements, returns and other documents and filings as required under applicable Laws with the prescribed authorities.

2. Powers and Authority:

- (a) The Seller has the power to enter into, execute, deliver and perform, and has taken all necessary actions to authorize the entry into, execution, performance and delivery of, the Transaction Documents and the transactions contemplated thereby; and
- (b) To the best of the Seller’s knowledge, the entry into and performance by the Seller of the transactions contemplated by the Transaction Documents has been duly authorised by all necessary corporate actions and does not conflict with any other existing documents or agreements to which the Seller is a party.

3. Legal Validity:

- (a) The Transaction Documents will constitute a legal, valid and binding obligation of the Seller enforceable in accordance with their respective terms.
- (b) To the best of the Seller’s knowledge, the execution, delivery and the performance by the Seller of the Transaction Documents and its obligations in relation to the transaction contemplated thereunder, do not and will not:
 - i) breach or constitute a default under its constitutional or organizational documents;
 - ii) require the Seller 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 instrument, Contract or other agreement to which the Seller is a party or by which the Seller is bound;

- iii) conflict with, result in a breach of, or constitute a default or violation under, any agreement, instrument or Contract to which the Seller is a party or by which the Seller is bound or give any third party, a right to terminate or modify, or result in the creation of any lien under, any agreement, License or other instrument; or
 - iv) result in a violation or breach of or default under any applicable Law or of any order, judgment or decree of any court, Governmental Authority, regulatory body binding upon the Seller or any of its assets, securities, properties or business.
- 4. **There** are: (a) no Tax proceedings initiated (or proposed to be initiated for which the Seller has received any written notice), pending or subsisting against the Seller that adversely affect the sale of the Transferred Business under Section 281 of the Income Tax Act, 1961; (b) no completed Tax proceedings, for which a notice under Rule 2 of the Second Schedule of the Income Tax Act, 1961 has been served on the Seller that can adversely affect the sale of the Transferred Business under Section 281 of the Income Tax Act, 1961; and / or (c) no outstanding or pending Tax demands against the Seller that adversely affect the sale of the Transferred Business under Section 281 of the Income Tax Act, 1961.
- 5. **Authorizations:** All authorizations and approvals from any Governmental Authorities or any other third parties required or desirable under applicable Laws or under any arrangement that Seller is, directly party to, in connection with the entry into, performance, validity and enforceability of the transactions contemplated by the Transaction Documents have been obtained or effected (as appropriate) and are in full force.
- 6. **Contracts**
 - (a) The Contracts are duly authorized, executed and delivered by the Seller and constitutes valid, binding and enforceable obligations of the each of the parties thereto, and to the best of the Seller's knowledge, the terms thereof have been complied with by the parties thereto and none of the counter-parties thereto have issued any notice of default or requiring cure of breach or termination or of intention to terminate any Contract on account of any non-compliance of any of the terms of any Contract by the Seller.
- 7. **Litigation**
 - (a) The Seller is not subject to any current, pending or threatened (in writing) enforcement proceedings, including criminal prosecutions, administrative proceedings, appeals, statutory enforcement notices, orders, civil litigation and outstanding insurance claims involving any environmental or health and safety issues in relation to the Transferred Business.
- 8. **Intellectual Property Rights**
 - (a) The Seller is the owner of or is otherwise well and sufficiently entitled to use and apply the Business IPR in the Transferred Business as is now being operated, without any claims or Encumbrances of any manner, and are not subject to any limit as to time or restriction and all renewal fees (if applicable) and steps required for their maintenance or protection have been paid and taken.
 - (b) In relation to the Transferred Business and the Business IPR, the Seller does not infringe nor to the best of the knowledge of the Seller, is it alleged that the Seller infringes or wrongfully uses any confidential information or Intellectual Property

rights of any Person.

- (c) There are no current or pending actions, or threatened actions (in writing), being brought by the Seller against any third parties or by any third party against the Seller for infringement of Intellectual Property rights, passing off, misuse of confidential information or breach of confidentiality in respect of the Transferred Business or use of the Business IPR and no such claims have been settled by giving any undertaking which remains in force.

9. Employees

- (a) No Employee is part of any trade union and no labour union has requested or sought to represent any Employees.
- (b) No Employee is covered under any collective bargaining agreements, arrangements and other similar understanding with any trade union, staff association or other body.
- (c) To the best of the Seller's knowledge, no Employee who is a senior executive intends to terminate her/his employment with the Seller.
- (d) No amount due to or in respect of any Employee is in arrears and unpaid other than his current salary or current contractual fee for the relevant period as on the Execution Date and as on the Closing Date.
- (e) The Seller has in relation to each Employee, complied in all material respects with its obligations under relevant Laws.
- (f) The Seller has not entered into any agreement to compensate any Employee of the Seller on account of transfer of the Transferred Business contemplated herein.
- (g) The Seller is not a party to any arrangement under which it could be liable to make any payments to any Employee (except for payments required under applicable Law) including for providing retirement, death, disability, life assurance or medical benefits to such Employee (other than as required under applicable Law).

10. Assets and Immovable Property

All of the Business Assets are in the possession or under the control of the Seller.

11. Taxes

- (a) Save as disclosed to the Buyer in writing, the Seller has filed all necessary returns and the Seller is not in default of any payment of any Taxes and no claim is being asserted with respect to any Taxes due by the Seller.

**PART B
BUYER'S WARRANTIES**

The Buyer hereby represents, warrants, and undertakes the following:

1. Status

- (a) The Buyer is a private limited company, duly incorporated under the Laws of India.

2. Powers and Authority

The Buyer has the power to enter into, execute, deliver and perform, and has taken all necessary actions to authorize the entry into, execution, performance and delivery of, the Transaction Documents and the transactions contemplated thereby. The entry into and performance by the Buyer of the transactions contemplated by the Transaction Documents has been duly authorised by all necessary corporate actions and does not conflict with any other existing documents or agreements to which the Buyer is a party.

3. Legal Validity

- (a) The Transaction Documents will constitute a legal, valid and binding obligation of the Buyer enforceable in accordance with their respective terms.
- (b) The execution, delivery and the performance by the Buyer of the Transaction Documents and its obligations in relation to the transaction contemplated thereunder, do not and will not:
 - i) breach or constitute a default under its constitutional or organizational documents;
 - ii) conflict with, result in a breach of, or constitute a default or violation under, any agreement, instrument or contract to which the Buyer is a party or by which the Buyer is bound or give any third party, a right to terminate or modify, or result in the creation of any lien under, any agreement, license or other instrument; or
 - iii) result in a violation or breach of or default under any Law or of any order, judgment or decree of any court, Governmental Authority, regulatory body binding upon the Buyer or any of its assets, securities, properties or business.

4. Authorizations

All authorizations and approvals from any Governmental Authorities or any other third parties required or desirable under applicable Laws or under any arrangement that the Buyer is, directly party to, in connection with the entry into, performance, validity and enforceability of the transactions contemplated by the Transaction Documents have been obtained or effected (as appropriate) and are in full force and effect.