

THE COMPANIES ACT, 2013  
ARTICLES OF ASSOCIATION  
OF  
**EYESTEM RESEARCH PRIVATE LIMITED**

(COMPANY LIMITED BY SHARES)

(Restated by Special Resolutions passed by the shareholders at the  
Annual General Meeting held on 18th November, 2021)

**PRELIMINARY**

These Articles consist of two parts, Part 'A' and Part 'B'. The provisions of Part 'A' shall apply to all matters to which they pertain, to the extent, and only in so far, as they are not inconsistent with the provisions of Part 'B'. As long as Part 'B' remains a part of these Articles, in the event of any conflict or inconsistency, or contradiction between the provisions of Part 'B' and Part 'A' and / or between Part 'B' and Table F of the Companies Act, 2013, the provisions of Part 'B' shall override and prevail over the provisions of Part 'A' and Table F of the Companies Act, 2013.

**PART A**

**1. Interpretation and Application**

- 1.1. The regulations for the management of Eyestem Research Private Limited (Company) and for the observance of the members thereof shall be as contained in these articles of association (Articles).
- 1.2. The regulations contained in Table F of the first schedule to the Companies Act, 2013 (Act) shall apply to the extent expressly stated herein or otherwise to the extent not inconsistent with the provisions hereof.
- 1.3. The Company is a private limited company as per section 2(68) of the Act, and accordingly the following provisions apply.
  - a. The right to transfer shares of the Company is restricted in the manner prescribed in these Articles;
  - b. The number of members of the Company (exclusive of persons who are in employment of the Company, and persons who have been formerly in the employment of the Company and were members of the Company while in that employment and have continued to be members after the employment ceased) is limited to 200 persons provided that two or more persons holding one or more shares in the Company jointly, shall for the purpose of this Article be treated as a single member; and
  - c. Any invitation to the public to subscribe for any securities of the Company is prohibited.
- 1.4. Unless the context otherwise requires, terms defined in these Articles, which terms are set out in bold text and in parentheses, shall have the meanings given to such terms herein. Subject to the foregoing, words or expressions defined in the Act, if not inconsistent with the subject or context hereof, have the meaning given in the Act. All references to provisions of the Act shall mean and include a reference to such provision as amended or replaced from time to time and to all rules and regulations made thereunder and all notifications, clarifications and guidelines issued in connection therewith.

**2. Share Capital, Shares and Other Securities**

- 2.1. The authorised capital of the Company shall be as set out in the memorandum of association of the Company, as may be amended from time to time in accordance with the provisions of the Act.

- 2.2. The shares in the capital shall be numbered progressively according to their several denominations. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.
- 2.3. Subject to the other provisions of these Articles and the Act, the shares (including any shares forming part of any increase in the capital of the Company) and any other securities issued by the Company shall be under the control of the board of directors of the Company (Board) who may issue the same, at par or at a premium, on a rights or preferential basis, to such persons in such proportions and on such terms as the Board deems fit.
- 2.4. The provisions of paragraphs II.2, II.3, II.4, II.5, II.6, II.7 and II.8 of said Table F of the first schedule to the Act shall apply to the Company, and shall be deemed to be incorporated herein by reference. Provided that the Board shall be entitled to dematerialise its existing shares, and upon any dematerialization of the Company's securities, the provisions of paragraphs II.2 and II.3 of said Table F shall automatically cease to apply. Provided further that the Board shall be entitled to re-materialise its shares held in any depositories or to offer further shares, and or other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, and upon any such re-materialisation, the said provisions of paragraphs II.2 and II.3 of said Table F shall automatically reapply to the Company.
- 2.5. Subject to the provisions of the Act and any other applicable law in force, including pursuant to the provisions of the Foreign Exchange Management Act, 1999, any person may be issued or allotted fully or partly paid shares or other securities in the Company in payment or in part payment of any movable or immovable property or service rendered.
- 2.6. The Board shall cause to be kept a register and index of members in accordance with the Act and, if applicable, the Depositories Act, 1996, with the details of shares kept in physical or electronic mode or in any medium as may be prescribed by the applicable laws.
- 2.7. The provisions of paragraphs II.9 through II.18 and paragraphs II.28 through II.34 of Table F shall apply to the Company and shall be deemed to be incorporated herein by reference, provided that any reference to shares therein shall, unless the context otherwise necessarily requires, be deemed to be references to any securities issued by the Company. Provided further that the said provisions on calls, lien and forfeiture shall apply to sums due on the nominal value or the sums due on the premium payable on such securities.
- 2.8. Unless otherwise exempt by the Board, no person shall exercise any voting rights in respect of any security registered in such person's name on which any payable calls are due and unpaid or in respect of which any right of lien has been exercised.
- 2.9. The Board may exempt the applicability of the provisions in these Articles relating to calls, lien or forfeiture in such manner and on such terms as it deems fit.
- 2.10. The provisions of paragraphs II.35 through II.41 of Table F shall apply to the Company and shall be deemed to be incorporated herein by reference.
- 2.11. Nothing contained in the above provisions of this article 2 shall affect the issue of shares by the Company pursuant to an employee stock option plan (ESOP) adopted in accordance with the provisions of the Act and the rules made there under. Without prejudice to the foregoing, it is expressly clarified that any shares issued pursuant to such ESOP shall be subject to the restrictions on transfer and transmission of securities contained in these Articles.

### **3. Transfer and Transmission of Securities**

- 3.1. Any securities issued by the Company or any interest of a member in the Company shall be transferred only in accordance with these Articles and the applicable provisions of the Act. Except to the extent inconsistent with any of the express provisions set out herein, including the other provisions of this article 3, the provisions of paragraphs II.19 through II.26 of Table F

shall apply to the Company and shall be deemed to be incorporated herein by reference, provided that any reference to shares therein shall be deemed to be references to any securities issued by the Company.

- 3.2. Subject to the provisions of section 58 of the Act and the other provisions of these Articles, including the other provisions of this article 3, the Board shall be entitled in its absolute discretion to refuse the registration of any transfer of, or the transmission securities issued by the Company or of any interest therein,
- 3.3. If any shareholder (Selling Shareholder) seeks to transfer any shares, options warrants, or other securities convertible into shares of the Company (Offer Shares) to any person, then such Selling Shareholder shall first offer such Offer Shares to the other shareholders of the Company (i.e., other than employees of directors who do not hold any shares of the Company but only hold securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company shall be disregarded)(Other Shareholders) on the following terms.
  - a. The offer for transfer of the Offer Shares shall be made to the Other Shareholders in proportion to their relative holding of the issued and paid-up equity shares as on the date of such offer, and in accordance with the procedure set out below. Provided that for purposes of determining such proportions, persons, other than the Selling Shareholder, holding any securities of the Company that are compulsorily convertible into equity shares shall be deemed to be holding issued and paid-up equity shares of the company on an 'as-if-converted' basis and any securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company shall be disregarded.
  - b. The offer for transfer of the Offer Shares shall be made by giving a written notice (Offer Notice) to the Other Shareholders mentioning therein the total number of Offer Shares offered for transfer and inviting the Other Shareholders to offer to purchase such Offer Shares.
  - c. The Other Shareholders shall respond to the Offer Notice either accepting or rejecting such offer within 21 calendar days of receipt of the Offer Notice. Failure by any Other Shareholder to respond to the Offer Notice within the said period shall be deemed to be a rejection of the offer by such Other Shareholder.
  - d. If any Other Shareholder is willing to purchase all or any of the Offer Shares, such Other Shareholder shall respond to the Offer Notice by way of a written notice (Response Notice) that shall confirm the Other Shareholder's willingness to purchase the said Offer Shares and the price at which the Other Shareholder is willing to purchase such Offer Shares (Offer Price). The Response Notice shall be copied to the Company.
  - e. If the highest Offer Price received from any of the Other Shareholders is greater than the highest price offered by a third party, or if no offer for the Offer Shares is received from a third party within 30 calendar days of the receipt of the last Response Notice from the Other Shareholders, the Selling Shareholder shall transfer the Offer Shares to the Other Shareholders at the lowest price offered by the Other Shareholders that is greater than the highest price offered by a third party (or the lowest price offered by the Other Shareholders in cases where there is no offer from any third party). Provided that such transfer to the Other Shareholders shall be completed within 60 calendar days of receipt of the last Response Notice from the Other Shareholders.
  - f. If the highest Offer Price received from any of the Other Shareholders is less than the highest price offered by a third party, the Selling Shareholder, subject to the provisions of article 3.4, shall be entitled to transfer the Offer Shares to such third party at the higher price offered by the third party, and on terms that are no more favourable than

the terms contained in the Response Notice providing the highest Offer Price. Provided that such transfer to the third party shall be completed within 60calendar days of receipt of the last Response Notice from the Other Shareholders.

- 3.4. If, after complying with the provisions of article 3.3 above, if applicable, any Selling Shareholders (individually or together) (and regardless of their respective levels of shareholding in the Company) propose to transfer any Offer Shares (whether in one or several sales transactions), with such transfer resulting in a third party buyer, who is not currently a shareholder of the Company, acquiring control of more than 50% of the Company's share capital on a fully diluted basis as a result of such transfer (Potential New Majority Owner), the Selling Shareholders shall comply with the following provisions of these Articles prior to effecting a transfer of any Offer Shares, directly or indirectly to the Potential New Majority Owner.
- a. The Selling Shareholders shall give a further written notice (Tag Along Notice) to the Other Shareholders specifying the number of Offer Shares that the Selling Shareholders now wish to transfer to the Potential New Majority Owner (Tagged Securities), and stating or restating the details of the offer to purchase the Tagged Securities received from the Potential New Majority Owner, including the identity of the Potential New Majority Owner, the price offered by the Potential New Majority Owner for the Tagged Securities and the other terms of the transfer, including payment terms.
  - b. Each of the Other Shareholders shall have the right but not the obligation (Co-Sale Right), exercisable at its sole discretion and by notice in writing to each Selling Shareholder within 15 days of the date of receipt of the Tag Along Notice, to require that each Selling Shareholder includes in the sale to the Potential New Majority Owner, as part of the total number of Tagged Securities, all (but not less than all) shares or other securities convertible into shares of the Company held by such Other Shareholder as on the date of receipt of the Tag Along Notice (Co-Sale Shares). It is clarified that Co-Sale Shares may not include securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company.
  - c. If any Other Shareholder responds in writing to the Tag Along Notice within the said period of 15 days of the date of receipt of the Tag Along Notice confirming its willingness to sell its Co-Sale Shares in accordance with article 3.4.b above, no Selling Shareholder shall be entitled to complete the transfer of any Tagged Securities to the Potential New Majority Owner unless the Potential New Majority Owner also concurrently completes the purchase from the Other Shareholders of the said Co-Sale Shares on the same terms and conditions as those agreed between the Selling Shareholders and the Potential New Majority Owner with respect to the transfer of the Tagged Securities, including price, due date, and payment terms. Provided that such Other Shareholders shall not be required to provide any warranties in connection with such sale, other than warranties with respect to their respective title to and unencumbered ownership of their respective Co-Sale Shares. If the Potential New Majority Owner is not prepared to additionally acquire such Co-Sale Shares, then the Selling Shareholder shall be obliged to co-sell all the Co-Sale Shares offered by the Other Shareholders on a pro-rata basis with the Offer Shares.
  - d. If after complying with the above provisions of article 3.3, any Other Shareholder does not exercise or delays or fails to exercise its Co-Sale Right pursuant to the other provisions of this article 3.4, and the Potential New Majority Owner wishes to acquire all (but not less than all) the shares or other securities convertible into equity shares of the company held by such Other Shareholders (Drag Shares), then the Selling Shareholders shall have the right, but not the obligation (Drag-Along Right) by issue of notice to such Other Shareholders, to require all such Other Shareholders, to participate in such transfer and such Other Shareholders shall thereupon, and if so required the

Selling Shareholders, sell and be bound to sell all (but not less than all) of such Other Shareholders' Drag Shares to the Potential New Majority Owner on the same terms and conditions as those agreed between the Selling Shareholders and the Potential New Majority Owner with respect to the Transfer of the Tagged Securities, including price, due date, and payment terms. Provided that if the Potential New Majority Owner so requires, the Drag Shares shall include and the Drag-Along Right shall also apply to securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company. Provided further that such Other Shareholders, and holders of securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company, if applicable, shall not be required to provide any warranties in connection with such sale, other than warranties with respect to their respective title to and unencumbered ownership of their respective Drag Shares.

#### **4. Shareholder Meetings**

- 4.1. Subject to the other provisions of this article 4, the provisions of paragraphs II.41 through II.44 (i), II.45 through II.47, II.49 through II.56, II.58 and II.59 of Table F shall apply to the Company and shall be deemed to be incorporated herein by reference. Provided that where the Company has issued securities other than shares, references to shares in such provisions and in the following provisions of these Articles shall, be deemed to mean and include references to such securities and references to members shall be deemed to mean and include reference to holders of such securities, as applicable.
- 4.2. A notice of any meeting or any adjourned meeting (where notice of an adjourned meeting is required to be given pursuant to section 103 of the Act) may be sent through e-mail as a text or as an attachment to e-mail or as a notification providing an electronic link or uniform resource locator for accessing such notice.
- 4.3. Notwithstanding anything contained in section 103 of the Act, 2 (two) members present in person or through their authorized representatives or through proxy, and holding shares representing at least 60% (sixty percent) of the actual issued and paid-up capital of the Company, as on the date of such meeting, shall be quorum for the meeting. Provided that the same person may be an authorized representative or proxy for more than one member.
- 4.4. Notwithstanding anything contained in any other provisions of these Articles or in paragraphs 50 to 59 of Table F, all voting shall only be by poll and no voting shall be conducted by a show of hands.
- 4.5. Notwithstanding anything contained in any other provisions of these Articles or in paragraphs 50 to 59 of Table F, in the case of decisions on the matters listed below, such decisions shall only be validly taken by the members if the votes in favour of such decision include the affirmative vote of shareholders holding at least 60% of the issued and paid-up capital of the Company on a fully-diluted and as-if-converted basis (including after considering issue and conversion of securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company).
  - a. Appointment or removal of directors, other than as expressly provided under these Articles.
  - b. Any removal or adverse change in terms of engagement, designation, or responsibilities of any directors of the Company.
  - c. Any material change in the nature or scope of the business of the company.
  - d. Divestment of any material business segment of the company or any material assets of the company. For purposes of this provision, a material business segment shall mean a business segment that contributes more than 15% (fifteen per cent) of annual revenues

of the company during the preceding 12(twelve) calendar months, or that accounts for more than 15% (fifteen per cent) of the expenses of the company during the preceding 12 (twelve) calendar months, or the carrying value of which, as recorded in the company's latest balance sheet represents more than 15% (fifteen per cent) of the Company's net worth (i.e., paid-up capital and free reserves) as on the date of such balance sheet, and a material asset means any intellectual property of the company irrespective of its value or any physical asset that represents more than 15% (fifteen per cent) of the Company's net block.

- e. Increase, variation, alteration or reduction of the company's authorised share capital, consolidating shares, converting shares into stock or vice versa, subdividing or splitting shares or cancelling any shares and the making of any capital payment to any members.
  - f. An initial public offering.
  - g. The issue of any shares or the creation of any options (including any ESOP).
  - h. Distribution of dividends.
  - i. Appointment or removal of the company's external auditors.
- 4.6. The chair of the general meeting shall have the sole discretion to decide on the validity of any vote cast. A declaration by the chair of the result of a vote shall be, in the absence of any evidence to the contrary, conclusive evidence as to the outcome of such vote, without proof of the number or proportion of the votes cast in favour of or against the resolution. In the event of an equality of votes, the chair shall not have a casting vote on any matter, unless unanimously agreed by the members present and voting at the concerned general meeting.
- 4.7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarized copy of such power of attorney or authority, shall be deposited at or transmitted by facsimile or as a scanned attachment transmitted by electronic mail to the registered office of the Company not less than two hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than two hours before the time appointed for taking of the poll; and in default thereof the instrument of proxy shall not be treated as valid.

## **5. Directors and their Meetings**

- 5.1. Subject to the other provisions of this article 5, the provisions of paragraphs II.61 through II.75 of Table F shall apply to the Company and shall be deemed to be incorporated herein by reference.
- 5.2. Subject to the provisions of these Articles and the Act, the number of the directors of the Company, including additional directors shall not be more than nine.
- 5.3. Unless otherwise necessarily required by the Act or rules made there under, the directors of the Company shall not be liable to retire by rotation, and shall not be required to retire upon expiry of any particular term. Provided that any person appointed as an additional director shall hold office only up to the date of the next annual general meeting of the Company, but shall be eligible for appointment by the Company as a director at that meeting, subject to the provisions of the Act.
- 5.4. Without prejudice to and subject to the foregoing provisions of these Articles, the shareholders in general meeting shall appoint all directors. The principle of proportional representation shall not apply to such appointment.
- 5.5. A director shall not be required to hold any qualification shares in the capital of the Company.

- 5.6. Subject to the provisions of section 161 of the Act, the Board is hereby authorised to appoint an alternate director to act for a director during his or her absence for a period of not less than three months, from the state in which the meetings of the Board are ordinarily held.
- 5.7. Except in cases where resolutions are required by the Act to be passed at a meeting of the Board, including pursuant to section 179(3) of the Act, a resolution circulated and voted upon by a majority of the directors shall be valid and effective as a resolution duly passed at a meeting of the Board called and held in accordance with the provisions of the Act and these Articles, provided it has been circulated in draft with all relevant papers and documents, if any, to all the directors of the Company (including any alternate or additional director).
- 5.8. Without limiting the powers of the Board as specified under the Act, including pursuant to section 179 thereof, it is clarified that decisions on the following matters shall be subject to Board approval and shall not be made by the chief executive officer, managing director or any key management personnel unless expressly authorised by a resolution of the Board (and then only on such terms as expressly authorised).
- a. Approval of the annual business plan or annual budget of the company, or any material changes thereto involving deviation of more than Rs. 25,00,000 (twenty-five lakh rupees);
  - b. Negotiating, applying for, or contracting any debt, loan or guarantee that requires personal collateral, or that results in the company borrowing or owing any debt, or providing any guarantees for the obligation of any third person, other than: (a) trade debts and other current liabilities incurred in the normal course of business; (b) guarantees issued in connection with any tax status or tax benefits availed of by the company; or (c) other debts, loans or guarantees, to the extent previously authorized by the Board, or included in the annual business plan or annual budget of the company.
  - c. Voluntarily ceasing or discontinuing any material business operation of the company.
  - d. Any investment (other than in short-term fixed deposits and treasury bills) made by the company using loans, credits, advances or surplus funds.
  - e. Any capital expenditure or recurring annual expenditure in excess of Rs 25,00,000 (rupees twenty-five lakhs) in a financial year, to the extent such expenditure has not been previously authorized by the Board or in the annual business plan or annual budget of the company.
  - f. The establishment or divestment of any direct or indirect subsidiary of the company, or the making of any loan to such subsidiary.
  - g. The acquisition (whether by purchase, subscription or otherwise) by the company of any share capital or loan capital, or the entry into by the company of any partnership or joint venture arrangement or merger with, any person.
  - h. The sale of any asset or property of the company, which has a value at the date of sale that is five (5) per cent or more than the value of the total assets of the company, as per its last audited balance sheet.
- 5.9. To the extent permitted under applicable law, any director may upon his or her request, participate in and vote at any meeting of the Board by means of conferencing or similar communications equipment, to the extent participation in a meeting and use of such equipment is permitted under the Act or rules made there under. Provided that where a director is voting at a meeting of the Board by means of such conferencing or similar communications equipment, as permitted under applicable law, the director's alternate shall not be entitled to vote on any matters put before the relevant meeting. Where any director participates in a meeting of the Board by any means described in the preceding sentence, the

Company shall ensure that such director is provided with a copy of all documents referred to during such meeting of the Board before the relevant meeting commences.

## **6. Other Matters**

- 6.1. Except as provided below, the provisions of paragraph II.77, II.78, and II.80 through II.90 of Table F shall apply to the Company and shall be deemed to be incorporated herein by reference.
- 6.2. The Company shall have a common seal and the Board shall provide for the safe custody thereof.
- 6.3. The common seal of the Company shall not be affixed on any document, deed or instrument except by authority of a resolution of the Board or a committee of the Board authorised by the Board in that behalf.
- 6.4. Unless otherwise required under applicable law, the common seal of the Company shall be affixed to any document, deed or instrument in the presence of any one director as the Board may appoint for such purpose and such director shall sign every instrument to which the common seal is so affixed in his presence.
- 6.5. The Company may have for use outside India, facsimiles of the common seal of the Company, which shall be used by and kept in the safe custody of such person as the Board may appoint.
- 6.6. Every director, key managerial personnel or other officer of the company shall be indemnified out of the funds of the Company against any costs or liability incurred by him or her in defending any proceedings, whether civil, criminal, fiscal, regulatory, arbitral or otherwise, against any actions or omissions by him or her in or otherwise in relation to his or her capacity as a director, key managerial personnel or other officer of the company, whether or not judgement is given in his or her favour, or whether or not he or she is acquitted, provided he or she has acted honestly and reasonably in good faith.

## **PART B**

1. Terms defined in this Part B (defined terms have been identified in capitalized bold text) shall have the meanings given to such defined terms in these Articles. Unless otherwise specified, all references to Articles in this Part B shall mean Articles in this Part B.

- 1.1 In these Articles, unless the context otherwise requires:

"Act" shall mean Companies Act, 2013 including any amendments thereto.

"Board" shall mean the board of directors of the Company.

"Business" shall mean the business of the Company, which includes research undertaken by the Company for creating therapies for degenerative disease of the eye through the use of stem cell and/or gene editing technologies, partnering with ophthalmology clinics to help in visual rehabilitation of patients with low vision and creating databases of such patients for the development of therapeutic products, commercially exploiting any and all intellectual property generated in the course of the Company's activities for the benefit of the Company and carrying out a broad range of related research and development services for patients in and outside India.

"C-CAMP" shall mean Centre for Cellular and Molecular Platforms.

"Closing Date" shall mean 25th May, 2021.

"Endiya" shall mean Endiya Trustee Private Limited, acting as trustee of Endiya Partners Fund II, a scheme of Endiya Partners trust.

"Existing Investors" shall mean and include C-CAMP, Rajani Battu, Murali Rao, Dhruv Sareen, Cytespace Research Private Limited, Innovative Quest LLP, Jacesa Investments Limited,

Church Street Trustees Ltd, Gillian Margaret Morrow Corken, Impres Health Private Limited, Evoma Facilities India Private Limited, Escape Velocity Accelerator India Private Limited and KIAL.

"Founder" shall mean Dr. Jogin Desai.

"Investors" shall mean Existing Investors and Endiya.

"Investor Securities" shall mean Securities held by the Investors at the relevant time.

"KIAL" shall mean Kotak Investment Advisors Limited.

"Preferred Investment" shall mean the amounts invested in the Company by the Preferred Investors in the following manner:

- a. Innovative Quest LLP- Rs. 1,50,00,000;
- b. Evoma Facilities India Private Limited- Rs. 50,00,000;
- c. C-CAMP- Rs. 75,00,000;
- d. Jacesa Investments Limited- Rs. 4,25,00,000;
- e. KIAL- Rs. 2,00,00,000; and
- f. Endiya- Rs. 7,00,02,000.

"Preferred Investors" shall mean Innovative Quest LLP, Evoma Facilities India Private Limited, C-Camp, Jacesa Investments Limited, KIAL and Endiya.

"Pro Rata Shareholding" shall mean pro-rata shareholding in the capital of the Company, computed on a fully-diluted and as-if-converted basis.

"Securities" or "Security" shall mean any shares of the Company, or any instrument convertible into shares of the Company or any right, title, or interest therein or connected therewith (including any voting rights or rights to receive any proceeds in relation thereto), or of any claim on or in respect thereof.

"Secondary Shares" shall mean shares purchased by Endiya from Cytespace Research Private Limited by way of share purchase agreement dated April 5, 2021, entered into between Endiya, Cytespace Research Private Limited, the Founder and the Company.

"Shareholders Agreement" shall mean the shareholders agreement dated 7th April, 2021 entered between the Company, Endiya, the Existing Investors and the Founder.

"Share Subscription Agreement" shall mean the share subscription agreement dated 7th April, 2021 entered between the Company, Endiya and the Founder.

1.2. The following provisions shall apply to the interpretation and construction of this Part B, unless the text expressly or the context necessarily requires otherwise.

- a. Headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.
- b. Any reference to a statute or any provision of a statute shall include that statute or provision as well as any rule, regulation, notification, circular, or direction made or issued pursuant to such statute or provision, as may be from time to time modified or re-enacted, whether prior to or after the date of amendment of these Articles.
- c. References to the singular number shall include references to the plural number and vice versa. Words denoting one grammatical gender shall include all grammatical genders. References to "include" or "including" shall mean "include without limitation" and "including without limitation" respectively.

- d. As long as Endiya, KIAL and C-CAMP are shareholders in the Company, the Founder undertakes that he will not engage directly or indirectly in any business which is similar to the Business and will devote his full time to carry out the Business of the Company as per regular business practice.
- e. Where the Company has issued Securities other than shares, all references to shares in these Articles shall be deemed to mean and include references to such Securities and references to members shall be deemed to mean and include reference to holders of such Securities, as applicable.

## **2. Additional Parties**

- 2.1. Unless otherwise agreed in writing by Endiya ("Endiya Consent"), KIAL ("KIAL Consent") and C-CAMP ("C-CAMP Consent") which shall not be unreasonably withheld, if a third party investor ("New Investor") subscribes to and acquires any Securities in the capital of the Company, whether or not such Securities are equity shares of the Company or are convertible into equity shares of the Company, such New Investor shall be required (as a condition to acquiring any Securities in the Company) to become a party to the Shareholders Agreement by executing a deed of adherence thereto, and which deed of adherence shall be in the form set out in schedule 2 to the Shareholders Agreement, or in such other form as may be agreed by parties to the Shareholders Agreement and the New Investor.

Provided that the foregoing requirement for a New Investor to enter into a deed of adherence shall not apply to an employee that acquires options or other Securities in the Company pursuant to an employee stock option ("ESOP") plan of the Company,

- 2.2. In the event the Company establishes any subsidiary, the provisions of these Articles shall apply mutatis mutandis, to each such subsidiary.

## **3. Pre-Emptive Rights of Shareholders to Further Capital Issued**

- 3.1 Except as expressly provided in these Articles, any proposed increase in the Company's share capital (including by issue of Securities optionally or mandatorily convertible into shares of the Company), otherwise than pursuant to the ESOP plan or in connection with any stock split, stock dividend, bonus issue, recapitalisation or similar transaction for which proportional adjustments are made, shall first be offered to the shareholders of the Company, by way of a notice in writing from the Company, and in proportion to their Pro Rata Shareholding, as on the date of the offer. Provided that any options issued pursuant to an ESOP plan that have not been exercised on the date of such offer shall not be included when computing the Pro Rata Shareholding for purposes of the foregoing.
- 3.2 Where any Securities are offered to the shareholders of the Company pursuant to Article 3.1. above, each such shareholder shall exercise the pre-emptive right to subscribe to the Securities so offered by replying to the Company in writing within the period specified in the notice of such offer, or within such shorter time as may be prescribed by the Board in such offer (provided such offer has been made by the Board in accordance with the provisions of these Articles). Provided that such offer shall not be deemed to include a right exercisable by the person concerned to renounce the shares offered to him, or any of them, in favor of any person other than a shareholder that is a party to the Shareholders Agreement (including pursuant to a deed of adherence).
- 3.3 If any shareholder declines to commit to subscribe to the Securities offered, or does not reply to the notice in the time stipulated, the Company shall offer the Securities not committed, to the other shareholders of the Company that are parties to the Shareholders Agreement (including pursuant to a deed of adherence), again in proportion to the respective Pro-Rata Shareholding of such remaining shareholders (i.e., excluding the shareholding of the shareholder who declined to commit to subscribe to the Securities or did not reply to the notice), and by way of a similar notice in writing setting out the terms of such offer. Unless

otherwise agreed by the shareholders in accordance with the provisions of the Shareholders Agreement and the Act, the process set out in this Article 3.3, i.e., of offering such un-purchased Securities to the remaining shareholders, shall be repeated until commitments to subscribe to all the Securities originally offered have been obtained or all remaining shareholders have declined to commit to subscribe to the Securities being offered.

#### **4. Most Favored Investor Status**

- 4.1. The Founder and Company jointly and severally covenant to Endiya, KIAL and C-CAMP that no Securities shall be offered by the Company or otherwise issued or allotted to any person on terms that are more favorable to such person than the terms offered to Endiya, KIAL and C-CAMP, as case may be, pursuant to these Articles, other than with Endiya Consent, KIAL Consent and C-CAMP Consent.
- 4.2. The terms offered to any person shall be deemed to be more favorable than those obtained by Endiya, KIAL and/or C-CAMP if the price per Security, payment terms, return on investment, exit rights or liquidation preference offered to such person are in any way more favorable than those offered by the Company and the Founder to Endiya, KIAL and/or C-CAMP pursuant to these Articles, the Share Subscription Agreement or the Shareholders Agreement or the shareholders agreement dated December 04, 2020 entered into between the Company, KIAL and the Founder.
- 4.3. The Founder and Company jointly and severally covenant and undertake that in the event any third party is offered any terms (mentioned in Article 4.2. above) which are more favorable than those obtained by Endiya, KIAL and/or C-CAMP in relation to their respective Securities, then such more favorable terms shall be automatically applicable to Endiya, KIAL and/or C-CAMP, other than by way of Endiya Consent, KIAL Consent and/or C-CAMP Consent, as applicable.

#### **5. ESOP**

- 5.1. The Company may issue options to employees or the Founder, if permitted under applicable law, under the Company's existing stock option plans. Provided that the options or Securities issued pursuant to any such plan shall not exceed 13% (thirteen per cent) of the issued and paid-up capital of the Company, on a fully diluted basis and on an as-converted basis.
- 5.2. The Founder and Company covenant that all options and Securities issued pursuant to such employee stock option plan are and shall be subject to same restrictions on transfer and exercise of rights by the other shareholders, as any Securities held by the Founder in the Company.

#### **6. Other Provisions Related to Share Capital**

- 6.1 Subject to Article 14 below, any buyback of shares or any other reduction in the Company's share capital shall be applied to all shareholders of the Company in proportion to their respective Pro-Rata Shareholding inter se, on the date of such buyback or other reduction.
- 6.2 Notwithstanding anything contained in Article 6.1. above, the shareholders may by special resolution passed in a general meeting of the Company waive the foregoing requirements relating to a proposed increase, buyback or reduction affecting the Company's share capital first being offered to the shareholders of the Company in proportion to their respective Pro Rata Shareholding.
- 6.3 If the Company's shares are held in physical form and are not dematerialized and any shareholder requires share certificates to be issued in a particular lot size, the Board shall direct the Company to issue such share certificates to such shareholder in such lot size in accordance with the provisions of the Act. In such event, and without prejudice to the foregoing, the Company shall, and the shareholders shall procure that the Company shall sub-

divide or consolidate any share certificates issued to such shareholder, without payment of any fee.

## **7. Transfer and Transmission of Shares**

- 7.1. Any sale, offer to sell, gift, lien, conveyance, assignment, hypothecation, pledge, mortgage, alienation, encumbrance, disposition of or any other transfer ("Transfer"), of Securities, contrary to the provisions of these Articles shall be null and void ab initio and shall not be liable to be registered or otherwise recognized by the Company or by any holder of any Securities.
- 7.2. The Board may, subject to section 58 of the Act, refuse to register any Transfer of Securities contrary to the provisions of these Articles. The Board may further decline to recognize any instrument of Transfer if (i) the instrument of Transfer is not in the form prescribed in the rules made under section 56(1) of the Act or (ii) the instrument is not accompanied by a certificate of the Security to which it relates or (iii) such other evidence as the Board may reasonably require evidencing the right of the transferor to make the transfer is not provided.
- 7.3. Unless otherwise required under applicable law, and subject to these Articles, the Securities that are held by any shareholder of the Company shall at all times be freely transferable without any restrictions except to a competing business with the Company or to any person who is an investor in a competing business with the Company. The Board and Company shall approve any transfer of Securities by a shareholder if such transfer is in compliance with the following provisions of this Article 7 and any additional legal requirements prescribed under the Act.
- a. At any time, if any shareholder of the Company wishes to transfer any Security held by it in the Company ("ROFO Offeror") to a third party that is not an affiliate of such ROFO Offeror, the ROFO Offeror shall, provide the other shareholders ("ROFO Recipients") a right of first offer to purchase such Security ("ROFO Securities"), pro rata to their shareholding in the Company on a fully diluted basis, in the following manner.
  - b. Prior to any transfer of any ROFO Securities to any third party that is not an affiliate of the ROFO Offeror, such ROFO Offeror shall give a written invitation ("Invitation to Offer") to the ROFO Recipients, requesting such ROFO Recipients if they wish to purchase any of the ROFO Securities. A copy of the Invitation to Offer shall be provided to the Company at the same time as it is sent to the ROFO Recipients.
  - c. The Invitation to Offer shall state the following.
    - i. The number and class of Securities the ROFO Offeror owns as on the date thereof; and
    - ii. The number and class of ROFO Securities proposed to be transferred by the ROFO Offeror.
  - d. On receiving the Invitation to Offer, each ROFO Recipient shall have the right (but not the obligation) to elect to purchase up to such number of ROFO Securities as is proportionate to the Pro Rata Shareholding of such ROFO Recipient relative to the inter se shareholding of all ROFO Recipients that have received the Invitation to Offer and have the right (but not the obligation) to elect to purchase such ROFO Securities.
  - e. Such election shall be made by each ROFO Recipient by such ROFO Recipient delivering a written offer ("Offer Notice") of such election to the ROFO Offeror within 30 (thirty) days of the date of first receipt of the Invitation to Offer.
  - f. The Offer Notice shall specify the price at which the ROFO Securities are sought to be purchased ("Offer Price") and any other terms and conditions, permitted under applicable law, for the purchase of the ROFO Securities.

- g. Upon receipt of Offer Notices from all ROFO Recipients, or upon expiry of the period of 30 (thirty) days from the date on which the Invitation to Offer was sent to all ROFO Recipients, whichever is earlier, the ROFO Offeror shall be entitled to either accept each Offer Notice and sell the ROFO Securities to the concerned ROFO Recipients as per the terms and conditions specified in the relevant Offer Notice, or to not accept the relevant Offer Notice.
  - h. In the event, the ROFO Offeror elects to not accept any Offer Notice, the ROFO Offeror shall be free to sell the remaining ROFO Securities to a third party, within 90 (ninety) days of receipt of the Offer Notices from all ROFO Recipients, or upon expiry of the period of 30 (thirty) days from the date on which the Invitation to Offer was sent to all ROFO Recipients, whichever is earlier, provided that the price offered by the third party buyer shall be greater than any Offer Price, and the terms and conditions offered to the third party buyer shall not be more favorable than the terms and conditions contained in any Offer Notice received from any ROFO Recipient (whether or not such Offer Notice was accepted).
- 7.4. Notwithstanding the foregoing, the Company, and the Founder, shall (without any delay) provide all assistance required by the ROFO Offeror to sell all or part of the Securities held by it in the Company whether pursuant to the foregoing or otherwise, including but not limited to assistance in connection with permitting and facilitating the conduct of a due diligence in connection therewith, preparing and signing relevant offer documents, entering into such documents, conducting road shows, providing all necessary information (including financial and other information) and documents necessary for preparing for the transaction and for due diligence by proposed buyers, obtaining such regulatory or other approvals, furnishing necessary undertakings and commitments and doing such further reasonable acts or deeds as may be necessary to effect such a transfer, all at no additional cost to the ROFO Offeror, to the fullest extent permissible under law.
- 7.5. Except with the prior written consent of Endiya, KIAL and the Existing Investors (herein after jointly referred to as "Investors") holding at least 70% (seventy percent) of the Investor Securities, on a fully diluted basis ("Majority Investors", and such consent shall be termed "Investors' Consent") and as long as Endiya, KIAL and/or C-CAMP holds any Securities in the Company, the Founder shall not Transfer any Securities held directly or beneficially by the Founder in the Company, if as a result of such Transfer, his aggregate shareholding in the Company falls below 20% of the issued and paid-up capital of the Company.
- 7.6. Without prejudice to the provisions of Article 7.5. above, the Founder shall procure that if any shareholder of the Company other than Endiya, KIAL and C-CAMP ("Selling Shareholder"), wishes to Transfer any Securities held by such Selling Shareholder in the Company to any third party ("Proposed Transferee"), and such Transfer (whether alone or in conjunction with any other transaction or series of transaction) results in such Proposed Transferee acquiring ownership or control of 50% (fifty per cent) or more of the Company's share capital on a fully-diluted and as-if-converted basis, then the Selling Shareholder shall comply with the following additional provisions prior to effecting the transfer of such Securities to such Proposed Transferee.
- a. The Selling Shareholder shall give a written notice ("Tag Along Invitation") to Endiya, KIAL and C-CAMP specifying the number of Securities that the Selling Shareholder now wishes to transfer to the Proposed Transferee ("Tagged Securities"), and stating the price and other terms on which such Tagged Securities are proposed to be Transferred to the Proposed Transferee ("Tag Price and Terms").
  - b. Endiya, KIAL and C-CAMP shall each have the right but not the obligation ("Co-Sale Right"), exercisable at its sole discretion and by notice in writing to the Selling Shareholders ("Tag Notice"), within 21 (twenty-one) days of the date of receipt of the

Tag Along Invitation ("Tag Exercise Period"), to require that the Selling Shareholder includes in the sale to such Proposed Transferee, as part of the total number of Tagged Securities and at the same Tag Price and Terms, any or all of Securities of the Company held by such Endiya, KIAL and/or C-CAMP as on the date of receipt of the Tag Along Invitation ("Co-Sale Shares").

- c. If Endiya, KIAL and/or C-CAMP issue a Tag Notice to the Selling Shareholder within the Tag Exercise Period, confirming its/their willingness to sell any Co-Sale Shares in accordance with this Article 7.6, the Selling Shareholder shall not be entitled to complete the transfer of any Tagged Securities to the Proposed Transferee unless such Proposed Transferee also concurrently purchases from Endiya, KIAL and/or C-CAMP (as the case may be), all, but not less than all, of the said Co-Sale Shares of KIAL and/or C-CAMP, at the Tag Price and Terms. Provided that Endiya, KIAL and/or C-CAMP shall not be required to provide any representations or warranties in connection with such sale, other than with respect to Endiya's, KIAL's and/or C-CAMP's title to the Co-Sale Shares.
- d. If Endiya, KIAL and/or C-CAMP do not issue a Tag Notice or fail to respond to the Tag Along Invitation within the Tag Exercise Period, Endiya, KIAL and/or C-CAMP shall be deemed to have rejected the Tag Along Invitation. The Selling Shareholder shall then be free to continue with the sale of all, and not less than all of the Tagged Securities to the Proposed Transferee at the Tag Price and Terms. If the Selling Shareholder fails to sell all the Tagged Securities to such Proposed Transferee as specified herein, the provisions of this Article 7.6. shall again apply to any subsequent transfer of any Tagged Securities, and no transfer of any Tagged Securities shall be valid or liable to be recognized thereupon unless the provisions of this Article 7.6. are complied with in full.

- 7.7. Shareholders holding at least 75% (seventy five percent) of the share capital of the Company on a fully diluted basis shall have the right to drag along ("Dragging Shareholders") and cause the remaining shareholders ("Dragged Shareholders"), to sell all or part of their respective Securities, as may be required by the Dragging Shareholders ("Dragged Securities"), to a third party purchaser ("Drag Along Buyer") selected and nominated by Dragging Shareholder ("Drag Along Right"). The Company and the Founder will facilitate and the Dragged Shareholders will co-operate with the Dragging Shareholders and the Drag Along Buyer in this connection including co-operating in any due diligence conducted by the Dragging Shareholders and / or Drag Along Buyer and providing all necessary information relating to the Company to the Dragging Shareholders and / or Drag Along Buyer.
- 7.8. In the event of Endiya, KIAL and/or C-CAMP exercising the Drag Along Right, Endiya, KIAL and/or C-CAMP would not be required to provide any representations, warranties and indemnities in respect of the Company and its operations other than with respect to Endiya's, KIAL's and/or C-CAMP's title to the Securities
- 7.9. Dragged Shareholders shall be required to sell all or part of their Securities to the Drag Along Buyer at the same price at which the Dragging Shareholder sells the Securities held by the Dragging Shareholders to the third party buyer.
- 7.10. The provisions of Article 7.3. shall not apply in the case of any transfer of any Securities by Endiya, KIAL and/or C-CAMP to any affiliate.
- 7.11. Where any shareholder transfers any Securities of the Company to any affiliate or third party, such affiliate or third party shall sign and be required to sign a deed of adherence in the form set out in schedule 2 of the Shareholders Agreement.

## **8. Shareholder Meetings**

- 8.1. General meetings of the Company shall be convened in accordance with the provisions of the Act. The Board may, whenever it determines, call an extraordinary general meeting.

8.2. A notice of any meeting or any adjourned meeting (where notice of an adjourned meeting is required to be given pursuant to section 103 of the Act) may be sent through e-mail as a text or as an attachment to e-mail or as a notification providing an electronic link or uniform resource locator for accessing such notice.

8.3. Quorum:

2 (two) members present in person or through their authorized representatives or through proxy, and holding shares representing at least 60% (sixty percent) of the actual issued and paid-up capital of the Company (computed on a fully-diluted and as-if-converted basis), as on the date of such meeting, shall be quorum for the meeting. Provided that the same person may be an authorized representative or proxy for more than one member.

8.4. All voting shall only be by poll and no voting shall be conducted by a show of hands.

8.5. In the case of decisions on the matters listed below, such decisions shall only be validly taken by the members if the votes in favor of such decision include the affirmative vote of shareholders holding at least 60% (sixty percent) of the issued and paid-up capital of the Company on a fully-diluted and as-if-converted basis (including after considering issue and conversion of securities that are capable of being issued pursuant to an ESOP and that have not been actually issued and allotted by the Company) or such higher percentage or number of affirmative votes as may be required under the Act.

- a. Appointment or removal of directors, other than as expressly provided in these Articles.
- b. Any removal or adverse change in terms of engagement, designation, or responsibilities of any directors or key management personnel (as defined under the Act) of the Company.
- c. Any material change in the nature or scope of the Business.
- d. Divestment of any material Business segment of the Company or any material assets of the Company. For purposes of this provision, a material Business segment shall mean a Business segment that contributes more than 15% (fifteen per cent) of annual revenues of the Company during the preceding 12 (twelve) calendar months, or that accounts for more than 15% (fifteen per cent) of the expenses of the company during the preceding 12 (twelve) calendar months, or the carrying value of which, as recorded in the Company's latest balance sheet represents more than 15% (fifteen per cent) of the Company's net worth (i.e., paid-up capital and free reserves) as on the date of such balance sheet, and a material asset means any intellectual property of the Company irrespective of its value or any physical asset that represents more than 15% (fifteen per cent) of the Company's net block.
- e. Increase, variation, alteration or reduction of the Company's authorized share capital, consolidating shares, converting shares into stock or vice versa, subdividing or splitting shares or cancelling any shares and the making of any capital payment to any members.
- f. An initial public offering.
- g. The issue of any shares or the creation of any options (including any ESOP).
- h. Distribution of dividends.
- i. Appointment or removal of the company's external auditors.

It is clarified that KIAL shall not be entitled to vote on the matters listed in (a), (b), (g), (h) and (i) of this Article 8.5. Further, KIAL's shareholding in the Company on a fully-diluted and as-if-converted basis shall be excluded from the total issued and paid-up capital of the Company on a fully-diluted and as-if-converted basis in order to determine whether shareholders holding at least 60% (sixty percent) of the issued and paid-up capital of the Company on a fully-diluted

and as-if-converted basis have approved a decision in respect of the matters listed in (a), (b), (g), (h) and (i) of this Article 8.5.

- 8.6. In the case of decisions on the matters listed below, such decisions shall be valid only if affirmed by Investors' Consent or by such higher percentage or number of affirmative shareholder votes as may be required under the Act.
- a. Any amendment to the charter documents or constitution documents.
  - b. Any change to the capital structure of the Company including issuance, buy back, redemption or any action which is similar to the aforesaid actions, any change in class rights, repurchase, redemption, alteration, reorganization or retiring of shares or instruments linked to shares.
  - c. Any issuance of ESOPs which may dilute the Investors shareholding on a fully diluted basis.
  - d. Any alteration to the rights, preference and privileges attached to or in connection with any of the Securities.
  - e. Entering into transactions with the Founder and/or his affiliates, or any amendment thereto.
  - f. Creation of any encumbrance on or transfer of the shares held by the Founder.
  - g. Borrowings (including trade creditors, bank guarantees, letters of credit or such similar modes of financing) other than in the ordinary course of business.
  - h. Any liquidity event or any transaction involving merger, demerger/business transfer, acquisition, initial public offering, investment in any other entity/person, other business combination involving the Company, amalgamation, consolidation and/or corporate restructuring or reorganization, any diversification into business areas unrelated to the existing business of the Company, or transfer of material assets not in ordinary course of business.
  - i. Commencement of any case, proceeding or other action (i) under any bankruptcy, insolvency or similar law seeking to have an order of relief entered with respect to it or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for it or all or any substantial part of its property, or (iii) making a general assignment for the benefit of its creditors or (iv) admitting in writing its inability to pay its debts when they become due.
  - j. Registration/approval of transfer of Securities other than in accordance with these Articles.
  - k. Sale, assignment, license or transfer of any of the intellectual property other than in ordinary course of business.
  - l. Any matter in connection with any of the aforementioned matters including entering into any agreements or commitments for, or any delegation of any of the aforementioned matter.

It is clarified that KIAL shall not be entitled to vote on the matter listed in (c) of this Article 8.6. Further, KIAL's shareholding in the Company on a fully-diluted and as-if-converted basis shall be excluded from the total issued and paid-up capital of the Company on a fully-diluted and as-if-converted basis in order to determine Investors' Consent in respect of the matter listed in (c) of this Article 8.6.

## 9. The Board

- 9.1. The Founder shall nominate, and the shareholders or Board, as applicable, shall appoint the Founder to be a whole-time executive director of the Company ("Founder Director"). In the event of a vacancy in the position of any Founder Director arising for any reason, C-CAMP shall nominate an individual to fill such vacancy, and such vacancy shall be filled by a resolution adopted by the shareholders or Board of the Company, as applicable.
- 9.2. Endiya shall have the right to nominate 1 (one) director to the Board ("Endiya Director").
- 9.3. Directors shall not be required to hold any qualification shares in the capital of the Company.
- 9.4. All shareholders shall vote and exercise their voting rights (and instruct their proxies and authorized representatives to vote) such that the individual nominated as above are appointed as the Founder Director and Endiya Director of the Company. Subject to the foregoing, the Board shall have the power to appoint additional directors and alternate directors, provided such additional directors are the persons nominated as above, and such alternate directors appointed are in-turn nominated by the directors appointed as above.
- 9.5. Unless otherwise required by law, directors shall not be liable to retire by rotation. Subject to the other provisions of these Articles, the shareholders in a general meeting shall appoint all directors (other than additional or alternate directors, who shall be appointed in accordance with the provisions of the Act). The principle of proportional representation shall not apply to such appointment.
- 9.6. Other than by way of Endiya Consent, KIAL Consent and C-CAMP Consent, the Founder Director shall not be entitled to any sitting fee or other remuneration for acting as directors of the Company. Provided that sitting fees and other reasonable costs incurred by non-executive directors who is not the Founder, incurred for purposes of attending meetings of the Board or any of its committees shall be borne by the Company, subject to the provisions of the Act. Provided further that the provisions of this Article 9.5. shall not affect any salary or remuneration agreed to be paid to any director pursuant to an employment agreement entered into by the Company and such director in accordance with the provisions of these Articles and the provisions of the Act.
- 9.7. The directors shall elect one of their member to act as chairperson at each Board meeting.
- 9.8. Subject to the provisions of the Act, Board meetings shall be held at least once in every 120 (one hundred and twenty days) and at least 4 (four) times every year. Unless all directors agree to a shorter notice, at least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every director.
- 9.9. A valid quorum for a meeting of the Board shall be as prescribed under the Act. Such quorum shall be present in person at the commencement and for the entire duration of the meeting. If no quorum is present by the appointed time for any meeting of the Board, the relevant meeting shall stand adjourned to the same day in the next week at the same time and place. No item may be considered at an adjourned meeting of the Board that was not specifically set out on the agenda for the meeting that was adjourned.
- 9.10. Each director shall be entitled to cast one vote on each matter discussed and voted on or otherwise decided upon at a meeting of the Board. Except for any decisions that expressly require a higher majority under applicable provisions of the Act, directors entitled to vote at the relevant Board meeting shall make decisions on the basis of a majority of the votes cast.
- 9.11. Subject to the provisions of section 161 of the Act, the Board is hereby authorized to appoint an alternate director to act for a director during his or her absence for a period of not less than 3 (three) months, from the state in which the meetings of the Board are ordinarily held.
- 9.12. To the extent permitted under applicable law, any director may upon his or her request, participate in and vote at any meeting of the Board by means of conferencing or similar communications equipment, to the extent participation in a meeting and use of such

equipment is permitted under the Act or rules made thereunder. Provided that where a director is voting at a meeting of the Board by means of such conferencing or similar communications equipment, as permitted under applicable law, the director's alternate shall not be entitled to vote on any matters put before the relevant meeting. Where any director participates in a meeting of the Board by any means described in the preceding sentence, the Company shall ensure that such director is provided with a copy of all documents referred to during such meeting of the Board before the relevant meeting commences.

9.13. In the event the Company establishes any subsidiary or affiliate entity, the provisions of this Article 9, shall apply mutatis mutandis, to such subsidiary or affiliate entity.

9.14. Observer:

C-CAMP shall be entitled to appoint 1 (one) observer to the Board ("Observer"). The Observer shall have the right to receive all Notices, documents and information provided to the Board members and shall be entitled to attend all meetings of the Board. The Observer shall not be entitled to vote with respect to any resolution proposed to be passed at a Board meeting.

#### **10. Corporate Governance and Conduct of Business**

10.1. The Company shall ensure, and the Founder shall procure that the Business is conducted in accordance with good and commercial business practice and in compliance with all applicable laws.

10.2. Subject to the other provisions of these Articles, the Board shall be responsible for the management of the Company, and may appoint such committees, including compensation and audit committees, as it may deem fit. Provided that these Articles applicable to the Board shall mutatis mutandis apply to such committees.

10.3. Without limiting the powers of the Board as specified under the Act, including pursuant to section 179 thereof, it is clarified that decisions on the following matters shall be subject to Board approval and shall not be made by the chief executive officer, managing director or any key management personnel unless expressly authorized by a resolution of the Board (and then only on such terms as expressly authorized).

- a. Approval of the annual business plan or annual budget of the Company, or any material changes thereto involving escalation of more than Rs. 25,00,000 (Rupees twenty-five lakh) of the annual budget;
- b. Negotiating, applying for, or contracting any debt, loan or guarantee that requires personal collateral, or that results in the Company borrowing or owing any debt, or providing any guarantees for the obligation of any third person, other than: (a) trade debts and other current liabilities incurred in the normal course of business; (b) guarantees issued in connection with any tax status or tax benefits availed of by the company; or (c) other debts, loans or guarantees, to the extent previously authorized by the Board, or included in the annual business plan or annual budget of the company.
- c. Voluntarily ceasing or discontinuing any material Business operation of the Company.
- d. Any investment (other than in short-term fixed deposits and treasury bills) made by the Company using loans, credits, advances or surplus funds.
- e. Any capital expenditure or recurring annual expenditure in excess of Rs. 25,00,000 (Rupees twenty-five lakh) in a financial year, to the extent such expenditure has not been previously authorized by the Board or in the annual business plan or annual budget of the Company.
- f. The establishment or divestment of any direct or indirect subsidiary of the Company, or the making of any loan to such subsidiary.

- g. The acquisition (whether by purchase, subscription or otherwise) by the Company of any share capital or loan capital, or the entry into by the company of any partnership or joint venture arrangement or merger with, any person.
- h. The sale of any asset or property of the company, which has a value at the date of sale that is 5% (five per cent) or more than the value of the total assets of the company, as per its last audited balance sheet.

10.4 Without prejudice to the generality of the foregoing, the Board and Company shall ensure, and the Founder shall procure the following at all times.

- a. The Business and activities of the Company shall be carried out consistent with the provisions of these Articles and pursuant to the policies adopted by the Board from time to time (provided such policies have been adopted in accordance with the provisions of these Articles), including the business plans adopted by the Board in accordance with the provisions of these Articles.
- b. All transactions involving the Company shall be conducted in a transparent manner for the benefit of the Company.
- c. All dealings and transactions by the Company (whether such dealings or transactions fall within the scope of section 188 of the Act or otherwise) shall not give rise to any actual or potential conflict of interest on the part of any Founder or their affiliates; in the event any current or anticipated dealings or transactions do or may, with the efflux of time, give rise to actual or potential conflict of interest on the part of any Founder or their affiliates, the concerned Founder shall recuse himself or herself from any discussion or decision on such dealings or transactions, whether as employees, directors or shareholders.
- d. Full and proper accounting records relating to the Business, undertakings and affairs of the Company shall be maintained, and copies of such records shall be made available, at no additional cost, and at all reasonable times, if requested by Endiya, KIAL and/or C-CAMP, whether or not such records are also required to be provided to Endiya, KIAL and/or C-CAMP pursuant to the Shareholders Agreement.
- e. The Company shall prepare annual accounts in accordance with generally accepted accounting principles in India and Indian accounting standards, in compliance with all applicable laws and regulations in respect thereof, and shall procure that such accounts are audited within a period of 90 (ninety) days from the expiry of each relevant accounting reference period.
- f. The Company shall do all that the auditors may reasonably require by way of keeping records and accounts and provide the auditors with all such information and explanations as they may reasonably require and otherwise assist the auditors in all reasonable ways.
- g. Under no circumstances shall Endiya, KIAL and/or C-CAMP or any of its directors, officers, employees, agents or representatives be identified as a promoter or officer of the Company (notwithstanding any prior involvement by Endiya, KIAL and/or C-CAMP with the initial incorporation of the Company).
- h. The Company, its directors, officers and employees shall not divulge or communicate any confidential information concerning the business, accounts, finance technology or intellectual property rights of the Company, except to the extent as may be required to comply with any law, order, regulation or ruling applicable to the Company or any party to the Shareholders Agreement.

- i. The Company shall have at all times, all licenses, registrations, permits and consents necessary to own and operate its assets and to carry on its Business as contemplated by these Articles.
- 10.5. Without prejudice to the generality of the foregoing, the Company shall, and the Founder shall procure that the Company shall undertake the following.
- a. The Founder Director shall prepare, and the Founder shall procure that the Founder Director prepares an annual budget and an annual business plan, including profit and loss statement, balance sheet, statement of cash flows, and supporting schedules ("Annual Plan"), and submit such Annual Plans to the Board for approval no later than 60 (sixty) days prior to the end of each fiscal year; the Board shall meet to consider such Annual Plans not later than 30 (thirty) days after it has been provided to the Board.
  - b. The Company shall conduct its business in accordance with the relevant approved Annual Plan for each fiscal year.
  - c. The Company shall institute internal controls to monitor purchasing, sales, inventory utilization (including inventory losses), and working capital cycles, and shall provide quarterly reports on the implementation and operation of such controls to the Board.
  - d. The Company shall use commercially reasonable efforts to develop standard templates for contracts with goods and services vendors and different types of customers, including protections of the Company's intellectual property and confidential information, and caps on the Company's liability, and shall use commercially reasonable efforts to utilize such templates for contracts with such third parties.
  - e. The Founder and Company shall not sell, pledge, assign, transfer, share or otherwise dispose or create any encumbrance over any of the Company's brands or other intellectual property or any right, title or interest therein unless such transaction is on an arm's length basis and otherwise in accordance with applicable law.
  - f. No loans or advances to or from the Founder or employees shall be entered into, renewed or extended, except in accordance with applicable prior Board approved policies.
- 10.6. Endiya, KIAL and C-CAMP shall not at any point of time be required (whether solely or jointly) to give any guarantee or letter of comfort or to pledge any assets (including their respective shares or other Securities in the Company) for or on behalf of the Company or any Founder.
- 10.7. The Founder undertakes and covenants that he shall not and shall ensure that his affiliates do not directly or indirectly:
- a. compete, invest in or set up any entity or consult, advise, or act as agent or trustee of any third party engaged in a business similar to the Business.
  - b. solicit, canvass or entice away (or endeavor to solicit, canvass or entice away:
    - i. any person who was or is a customer of the Company or any affiliate of the Company for the purpose of offering to such client or customer, services similar to or competing with those of the Company or such affiliate; or
    - ii. any supplier, vendor or contractor of the Company or any affiliate of the Company or other dissuade such person from continuing their dealings with the Company; or
  - c. use their knowledge of or influence over any supplier, customer, vendor or contractor of the Company to the detriment of the Company or any such affiliate, including in any manner that deprives the Company of the full benefit of the relationship with such supplier, customer, vendor or contact; or

- d. solicit, canvass or entice away (or endeavor to solicit, canvass or entice away) any employee from the Company or any Company affiliate for the purpose of employment, whether or not such person would commit a breach of contract by reason of leaving service; or
  - e. make use of or disclose or divulge to any third party any Company proprietary or confidential information of the Company or any of its affiliates; or
  - f. use or allow to be used (insofar as it can reasonably do so) the name of the Company or any of its brands, or any names that may be confused with the name of the Company or any of its brands, otherwise than for the benefit of the Company or its affiliates.
- 10.8. The Founder undertakes and covenants that any venture or investment of the Founder or his affiliates, either directly or through any other person in the Business shall be undertaken through, or carried on exclusively by the Company and its affiliates and not through any other entity.
- 10.9. The Founder undertakes and covenants that he shall refer all corporate opportunities pertaining to the Business to the Company or its affiliates (if any). Furthermore, all investments made by the Founder in the Business shall be through the Company only.

#### **11. Information and Inspection Rights**

- 11.1. Endiya, KIAL and C-CAMP shall at all times, by giving a written notice of at least 7 (seven) days, be entitled to carry out inspection of any of the properties of the Company, through their respective representatives or agents, at Endiya's, KIAL's and C-CAMP's own cost, as the case may be, and the Company shall provide, and the Founder shall procure that the Company promptly and fully provides such information, data, documents, or evidence as may be required for the purpose of and in the course of such inspection, in connection therewith. In the course of such inspections, or otherwise, Endiya, KIAL and/or C-CAMP or their respective representatives or agents shall be entitled to consult the statutory auditors, employees, and officers of the Company, including in relation to the Business, operations and financial affairs of the Company.
- 11.2. The Company shall provide Endiya, KIAL and C-CAMP with the following documents, prepared in accordance with the provisions of these Articles, and within the time periods stipulated below.
- a. Quarterly unaudited financial statements (consisting of operating statement, balance sheet, income statement, cash flow) to be provided within 45 (forty-five) days after the end of each quarter; and
  - b. Audited annual financial statements (including the auditor and management reports) to be provided as soon as available, but in any event not later than 90 (ninety) days after the end of each financial year to which they relate.
- 11.3. In addition to the foregoing, for as long as Endiya, KIAL and C-CAMP hold any Securities in the Company, the Company shall provide, and the Founder shall procure the Company provides Endiya, KIAL and C-CAMP with the following documents, prepared in accordance with the provisions of these Articles, and within the time periods stipulated below.
- a. Any draft term sheets, offers or other documents that gives rise to or with the passage of time could give rise to a Material Event, to be provided within 5 (five) days of receipt. For purposes of these Articles, a "Material Event" shall mean any of the following events by or in relation to the Company:
    - i. the appointment of an investment banker in connection with a proposed initial public offering of any Securities of the Company or the filing of any application with any court, tribunal, regulator or stock exchange in connection therewith;

- ii. the signing of a term sheet, letter of intent, memorandum of understanding, or agreement for any of the following: (A) the proposed investment in or the proposed acquisition of any Securities of the Company representing more than 10% (ten percent) of the issued and paid-up share capital of the Company, on a fully-diluted and as-if-converted basis, where such investment or acquisition is by a venture capital fund, private equity investor or other institutional financial investor, or by a strategic investor, or (B) the proposed sale, lease, license or other Transfer of all or substantially all of the assets or Business of the Company, or (C) a transaction or series of transaction occurring pursuant to which Endiya, KIAL and/or C-CAMP are provided an opportunity to sell all of their respective Securities at a price on terms acceptable to such Investors as the case may be, whether by way of a strategic sale, merger, buyback, or any similar transaction; or
- iii. any proposed voluntary insolvency resolution, liquidation, dissolution or winding up of the Company or receipt of any notice thereof;
- b. Any legal notices received from any government agency, employee, contractor or other third party where such notice has or could have a material effect on the Business, operations or shareholding of the Company or on the activities of any Founder, to be provided within 5 (five) days of receipt; and
- c. The draft Annual Plan submitted to the Board for approval, within 5 (five) days of such draft Annual Plan being circulated to the Board members for approval, and the approved Annual Plan, highlighting material changes, if any, from the draft previously circulated, within 5 (five) days of the date of the Board meeting at which such Annual Plan was approved.

## 12. Anti-Dilution

If at any time after the date of signing of the Shareholders Agreement, the Company issues to any person (other than pursuant to the ESOP or bonus issue approved by the Board), Securities at a price per share that is lower than the issuance price to Endiya and KIAL ("Dilutive Issuance"), unless the Company obtains a waiver from Endiya and KIAL from exercising their respective anti-dilution rights prior to issue of such Securities, the conversion price of the Securities held by Endiya and KIAL shall be adjusted in a manner as determined in accordance with the following broad based weighted average anti-dilution formula:

$$\text{NCP} = \text{OCP} * (\text{CSO} + \text{CSP}) / (\text{CSO} + \text{CSAP})$$

Where:

NCP = New conversion price.

OCP = Rs. 5,000 (Rupees Five Thousand), which may be adjusted downward or upward, as the case may be, in the event of any stock split, consolidation, bonus issue, or similar adjustment event.

CSO = The aggregate of all equity shares outstanding immediately prior to the Dilutive Issuance reckoned on a fully diluted basis.

CSP = The aggregate consideration received by the Company from the subscriber of the Dilutive Issuance divided by OCP.

CSAP = Number of equity shares actually issued in the Dilutive Issuance.

It is clarified that the provisions of this Article 12 shall not apply to the Secondary Shares.

## 13. Liquidation Preference

- 13.1. In the event of a Liquidation Event, subject to applicable law, the Preferred Investors shall rank *pari passu* and have liquidation rights senior to all other shareholders with respect to their

Preferred Investment. The Preferred Investors shall be entitled to receive, out of the total amounts available for distribution pursuant to such Liquidation Event ("Liquidation Preference"), prior to payments to any other shareholders, an amount equal to the higher of (a) total amounts invested by the Preferred Investors for subscription or acquisition of Securities pertaining to the Preferred Investment, including the premium paid, plus all dividend that has accrued in relation to these Securities but remains unpaid; or (b) its pro rata share in the proceeds on the basis of its shareholding percentage in the Company on a fully diluted basis and on an as-converted basis.

- 13.2. The following events constitute liquidation event for the purpose of Article 13.1. above ("Liquidation Event")
- a. Commencement of any proceedings for the voluntary winding up of the Company in accordance with the applicable laws or the passing of an order of any court appointing a provisional liquidator or administrator in any other proceeding seeking the winding up of the Company; or
  - b. The consummation of a consolidation, merger, reorganization or other similar transaction (whether in one or a series of transactions) of the Company resulting in its shareholders, collectively, retaining less than a majority of the voting power of the Company or the surviving entity immediately following such transaction after giving effect to any conversion, exercise or exchange of any securities convertible into or exercisable or exchangeable for, such voting securities; or
  - c. Sale or transfer (other than in accordance with these Articles) of outstanding Securities such that any group of shareholders who held 50% (fifty percent) of Securities prior to such transfer do not retain at least 50% (Fifty per cent) shareholding in the Company after such transfer; or
  - d. Occurrence of a change in control of the Company whereby the Founder ceases to collectively retain a majority of the voting power of the Company; or
  - e. The sale of, transfer of or creation of an encumbrance of any nature whatsoever, on a substantial part of the assets and properties of the Company, including but not restricted to tangible and intangible assets of the Company, or any order of any court resulting in the sale of, transfer of or creation of an encumbrance of any nature whatsoever on a substantial part of the assets and properties of the Company including but not restricted to tangible and intangible assets of the Company (whether in one or a series of transactions), which has not been vacated within 15 (fifteen) days of the passing of such order by the court.

It is clarified that the provisions of this Article 13 shall apply to the Secondary Shares.

#### 14. Exit

- 14.1. Notwithstanding anything contained in any other provisions of these Articles, the Company and the Founder jointly and severally undertake and covenant that prior to the expiry of 5 (five) years from the Closing Date, Endiya, KIAL and C-CAMP shall be provided with an opportunity to exit their investment from the Company by selling their respective Securities in the Company, whether by way of an initial public offer, a strategic sale, a buyback or otherwise. Any buyback by the Company shall be subject to the provisions of the Act and rules framed thereunder.
- 14.2. Notwithstanding anything contained in Article 7.7. after the expiry of 5 (five) years from the Closing Date, the Majority Investors shall have the right to drag the remaining shareholders (excluding the non-consenting Investors) to sell all or part of their respective Securities, as required, to the Drag Along Buyer. The process set out in Articles 7.7, 7.8. and 7.9. shall

mutatis mutandis apply in the event the Majority Investors exercise the right under this Article 14.2.

- 14.3. Notwithstanding the foregoing Articles, in the event a Material Event occurs and such Material Event is not a liquidation, dissolution or winding up of the Company as a result of the Company being unable to pay its debts or seeking a rescheduling or similar arrangement in relation to its debts, the Company shall endeavour to provide an exit to Endiya, KIAL and C-CAMP within 30 (thirty) days of the occurrence of the transaction contemplated by such Material Event.
- 14.4. In the event of any exit, the Company shall endeavour to provide an exit at price per share at which the shares or other Securities of the Company were valued, purchased, issued, consolidated, split or otherwise dealt with for purposes of such Material Event or other exit, as the case may be ("Exit Price"). In the event of any dispute or disagreement as to such Exit Price, the Exit Price shall be determined in accordance with the provisions of schedule 3 of the Shareholders Agreement.
- 14.5. Endiya, KIAL and C-CAMP shall have the right exercisable in their sole discretion, but not the obligation, to sell or otherwise Transfer their respective Securities held in the Company in such exit.

It is clarified that the provisions of this Article 14 shall apply to the Secondary Shares.

## **15. Effect of Events of Default**

- 15.1. If an Event of Default (as defined below) occurs, then notwithstanding anything contained in any other provisions of these Articles, Endiya, KIAL and/or C-CAMP shall have the right, exercisable at its/their sole discretion, to require all or any of the following:
- a. Require all Securities held by Endiya, KIAL and/or C-CAMP in the Company to be redeemed or bought back (as applicable) by the Company, with an internal rate of return of 20% (twenty percent) per annum computed from the Closing Date until payment of the full redemption amount (to the extent such redemption or buyback is permitted under applicable law);
  - b. Require the Company and the Founder to conduct an exit, within 60 (sixty) days of such Event of Default, and which exit shall be conducted in accordance with and subject to the provisions of Article 14 above;
  - c. Require removal of any key employees or directors (including any Founder Directors) and appoint any key employees or directors.

For purposes of these Articles, an "Event of Default" means all or any of the following: (i) an uncured material breach of the Company's or any Founder's representations or warranties under the Shareholders Agreement or the Share Subscription Agreement; (ii) an uncured material breach of the Company's or any Founder's obligations, undertakings or covenants under the Shareholders Agreement or the Share Subscription Agreement; (iii) the failure of the Company to meet its financial obligations-not authorized by the shareholders- to a bank, financial institution or any secured lender, or (iv) any act or omission by the Company or by the Founder constituting fraud, intentional misrepresentation, criminal breach of trust, cheating, willful misconduct, willful default, theft or embezzlement whether in relation to the Company or otherwise. The cure period for remedying any breach relating to an Event of Default shall be 30 (thirty) days from the date of receipt of notice of such breach by the Company or the Founder as the case may be.

## **16. Indemnity**

- 16.1. The Company and the Founder (each of which shall be an "Indemnifying Party") shall jointly and severally indemnify, defend and hold harmless Endiya, KIAL and/or C-CAMP and each of their respective directors, officers, agents and employees promptly upon demand by Endiya,

KIAL and/or C-CAMP, from and against any losses, liabilities, fines, expenses, costs and damages including reasonable attorney's fee ("Losses") to which Endiya, KIAL and/or C-CAMP or each of their respective directors, officers, agents and employees becomes subject, insofar as such Losses arise out of:

- a. any breach of any applicable law required to be complied with by the Indemnifying Party; or
- b. any third-party claim against Endiya, KIAL and/or C-CAMP and each of their respective directors, officers, agents or employees, arising out of act or omission attributable to the Indemnifying Party; or
- c. breach of any covenant or obligations by the Indemnifying Party resulting in the Indemnified Party incurring Losses.

16.2. The Founder's total liability towards Endiya and/or KIAL under this Article 16 shall not exceed the principal amount invested by Endiya and/or KIAL in the Company, other than in case where Endiya and/or KIAL incurs Losses on account of fraud or willful negligence by the Founder. It is clarified that any act or omission by the Founder in connection with the Business which results in regulatory sanctions against the Founder shall not be treated as either fraud or negligence as long as such act or omission was based on advice provided by a qualified lawyer or compliance professional.

#### **17. Non -Solicit and Non-Compete**

17.1 The Founder, as long as he is employed by the Company and for a period of 2 (two) years thereafter, shall not, directly or indirectly:

- a. Set up, solicit business on behalf of, render any services to, engage in, or have any ownership interests or other affiliation in, any business or other endeavour, which is engaged in a business which is of a similar nature as the Business or is competitive with the Company;
- b. Solicit, render services to or for, or accept from, anyone who is a lender, client or customer of the Company, any business of the similar nature as the Business of the type performed by the Company, or persuade or attempt in any manner to persuade any lender, client or customer of the Company to cease to do business or to reduce the amount of business which any such lender, client or customer has customarily done or is reasonably expected to do with the Company;
- c. Interfere or seek to interfere or take such steps which may adversely affect: (i) the continuance of supplies to the Company (or the terms relating to such supplies) from any suppliers who have been supplying goods or services, (ii) the continuance of the business between the Company (or the terms relating to such distribution) with the existing distributors, or (iii) impact the provision of services by an existing consultant (including any person, firm, corporation or other form of entity), to or of the Company; or
- d. Employ as an employee or retain as a consultant any person, firm, corporation or other form of entity who is then or at any time during the 1 (one) year period prior to the date of the purported solicitation was, an employee of or exclusive consultant to, the Company, persuade or attempt to persuade any employee of or exclusive consultant to the Company, to leave the employment of the Company, or to become employed as an employee or retained as a consultant by any other person, firm, corporation or other form of entity.

17.2 The Founder acknowledges that: (a) the type and periods of restriction imposed in the provisions of this Article 17 are fair and reasonable and are reasonably required in order to protect and maintain the legitimate business interests and the goodwill associated with the

Business; and (b) the time, scope, applicability and other provisions of this Article 17 have been specifically negotiated.

\*Part B has been inserted vide special resolution passed in the Annual General Meeting of the shareholders of the company held on 18th November, 2021.

We, the several persons whose names and addresses are subscribed hereto are desirous of being formed into a Company in pursuance of these Article of Association.

Sr. No.	Names, addresses, descriptions, occupation and signature of subscribers	Name, Address, Description, Occupation & Signature of the Common Witness
1.	<p><b>Suresh Ramu</b> S/o. Ramu Venkatraman T- 2 Sudhama Residency, I NGR Hal 2nd Stage Building, #4 1st Main Road Defence Colony, Bangalore, Karnataka - 560 038.</p> <p>Occupation : Service Sd/-</p>	<p>I witness to subscribers, who have subscribed and signed in my presence. Further I have verified their identity details (ID) for their identification and satisfied myself of their identification particulars as filled in.</p> <p><b>Jaydeep Pandya</b> S/o. Girish Pandya 101-102, Shagun Complex, B-93, Swastik Society, C. G. Road, Navrangpura, Ahmedabad - 380009.</p> <p>Occupation : Chartered Accountant M. No. 049443 Sd/-</p>
2.	<p><b>Rajani Battu</b> D/O Mysore Suryanarayana Keshavamurthy 53, Savitri, RBI Colony, Anand Nagar, Bangalore Karnataka - 560024</p> <p>Occupation : Professional Sd/-</p>	

Place : BANGALORE

Dated this 18<sup>th</sup> day of August, 2015