

Non Judicial



**Indian-Non Judicial Stamp
Haryana Government**



Date : 20/12/2024

Certificate No. GOT2024L1814



GRN No. 125457252



Stamp Duty Paid : ₹ 101
(Rs. Only)

Penalty : ₹ 0

(Rs. Zero Only)

Seller / First Party Detail

Name: Ethereal house pvt ltd

H.No/Floor : 44/gf

Sector/Ward : 32

LandMark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone: 99*****99



Buyer / Second Party Detail

Name : Bluestone jewellery and Lifestyle limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village: Bengaluru

District : Bengaluru

State : Karnataka

Phone : 99*****99

Purpose : AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>

Non Judicial



**Indian-Non Judicial Stamp
Haryana Government**



Date : 20/12/2024

Certificate No. G0T2024L1813



GRN No. 125457252



Stamp Duty Paid : ₹ 101

(Rs. Only)

Penalty : ₹ 0

(Rs. Zero Only)

Seller / First Party Detail

Name: Ethereal house pvt ltd

H.No/Floor : 44/gf

Sector/Ward : 32

LandMark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone : 99*****99



Buyer / Second Party Detail

Name : Bluestone jewellery and Lifestyle limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village : Bengaluru

District : Bengaluru

State : Karnataka

Phone : 99*****99

Purpose : AGREEMENT

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>

Non Judicial



**Indian-Non Judicial Stamp
Haryana Government**



Date : 20/12/2024

Certificate No. G0T2024L2167



GRN No. 125475624



Stamp Duty Paid : ₹ 101
(Rs. Only)

Penalty : ₹ 0

(Rs. Zero Only)

Seller / First Party Detail

Name: Ethereal house pvt ltd

H.No/Floor : 44/gf

Sector/Ward : 32

LandMark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone: 99*****99



Buyer / Second Party Detail

Name : Bluestone jewellery and Lifestyle limited

H.No/Floor : Na

Sector/Ward : Na

LandMark : Na

City/Village: Bengaluru

District : Bengaluru

State : Karnataka

Phone : 99*****99

Purpose : INDEMNITY BOND

The authenticity of this document can be verified by scanning this QrCode Through smart phone or on the website <https://egrashry.nic.in>

SHARE SUBSCRIPTION AGREEMENT

This Share Subscription Agreement (“**Agreement**”) is made at Gurgaon on 6th day of January 2025 (“**Execution Date**”) by and amongst:

1. **Bluestone Jewellery and Lifestyle Limited**, (CIN: U72900KA2011PLC059678); (PAN: AADCN6881C) a company incorporated under the Companies Act, 1956 and having its registered office at Site No. 89/2 Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Marathahalli, Bengaluru, 560037 (hereinafter referred to as the “**Subscriber**”, which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns). Particulars of the Subscriber are provided under **Part A** of **Schedule 1**;
2. **Ethereal House Private Limited**, (CIN: U32111HR2024PTC124350); (PAN: AAICE3642D) a private limited company incorporated and existing under the laws of India with its registered office at Plot No. 44, Ground Floor, Sector -32, DLF QE, Gurgaon, Haryana, 122002 (hereinafter referred to as the “**Company**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its successors and permitted assigns). Particulars of the Company are provided under **Part B** of **Schedule 1**;
3. **Sharad Arora** (PAN: AHMPA8599D), son of Surinder Mohan Arora residing at Villament 140204, Shriram Chirping Woods, 12th Main, Shubh Enclave, Harlur Road, Bengaluru - 560102 (hereinafter referred to as “**Founder A**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his administrators, legal heirs, representatives and permitted assigns). Particulars of Founder A are provided under **Part C** of **Schedule 1**; and
4. **Nitesh Jain** (PAN: AVVPJ8471E), son of Rajesh Jain residing at 303 Westblock, R.J Gardens, Eshwaralayout, Indiranagar, Bengaluru, Karnataka, 560038 (hereinafter referred to as “**Founder B**”, which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his administrators, legal heirs, representatives and permitted assigns). Particulars of Founder B are provided under **Part C** of **Schedule 1**.

Founder A and Founder B shall hereinafter be collectively referred to as the “**Founders**” and each individually as a “**Founder**”. The Company, the Subscriber and the Founders shall hereinafter be collectively referred to as the “**Parties**” and each individually as a “**Party**”.

RECITALS:

- A. The Company is a private company limited by shares and is engaged in the Business (*as defined hereinafter*).
- B. The capital structure of the Company on the Execution Date is provided under **Part A** of **Schedule 2**.
- C. The Company is desirous of issuing the Subscription Shares (*as defined hereinafter*) for the Subscription Amount (*as defined hereinafter*) to the Subscriber. The Subscriber has agreed to subscribe to the Subscription Shares (*as defined hereinafter*) as set out in this Agreement materially relying on the Warranties (*as defined hereinafter*), covenants and indemnities of the Company and the Founders.
- D. Accordingly, the Parties intend to enter into this Agreement to record the terms on which the Subscriber will subscribe to the Subscription Shares of the Company.
- E. Simultaneously with the execution of this Agreement, the Subscriber, the Founders and the Company have executed a shareholders’ agreement of even date to record their mutual

understanding, *inter alia*, in relation to their *inter se* rights and obligations as shareholders of the Company, the management of the Company and certain other matters in relation to the conduct of the Company's Business ("**Shareholders' Agreement**").

NOW, THEREFORE IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH HEREIN, THIS AGREEMENT WITNESSETH AND THE PARTIES HEREBY DECLARE AND CONFIRM AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

- 1.1. In this Agreement, the following terms, to the extent not inconsistent with the context thereof, have the meanings assigned to them herein below.
- 1.1.1. "**Applicable Law**" means and includes all applicable statutes, enactments, acts of legislature or parliament, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority, or other governmental restrictions or any similar form of decision of, or determination by any Governmental Authority.
- 1.1.2. "**Aggregate Indemnity Cap**" shall have the meaning ascribed to it in Clause 7.1 below.
- 1.1.3. "**Articles**" shall mean the articles of association of the Company, as may be amended from time to time.
- 1.1.4. "**Assets**", in relation to the Company, shall mean assets or properties of every kind, nature, character and description (whether immovable, movable, tangible, intangible, absolute, accrued, fixed or otherwise) as operated, hired, rented, owned or leased by the Company, including cash, cash equivalents, receivables, securities, real estate, plant and machinery, equipment, trademarks, brands, other Intellectual Property, raw materials, inventory, finished goods, furniture, fixtures, and insurance.
- 1.1.5. "**Board**" means the board of directors of the Company, as constituted from time to time.
- 1.1.6. "**Business**" means the business of manufacturing, processing, procuring, trading, marketing and sale of all kinds of precious and semi-precious stones such as diamonds, carbon stone / lab grown diamonds, sapphires, emerald, pearls and rubies, and related accessories, ornaments and jewellery products made in the combination of gold, silver, platinum, or other metals, and alloys thereof, conducted by the Company (whether through itself or its Controlled entities) through its website, mobile application, offline stores and other distribution channels.
- 1.1.7. "**Business Day**" means any day other than Saturday, Sunday or any day on which banks in Haryana and Bengaluru, India are generally closed for regular banking business.
- 1.1.8. "**Business Warranties**" means the representations and warranties set out in **Part B of Schedule 3**.
- 1.1.9. "**Claims**" means, in relation to a Party, any demand, claim, action, dispute, investigation, enquiry or proceeding made or brought by or against the Party, however arising.
- 1.1.10. "**Closing**" means the issuance and allotment of Subscription Shares to the Subscriber, by completing the actions specified in Clause 4 (*Closing*).

- 1.1.11. **“Closing Date”** shall have the meaning ascribed to it in Clause 3.3 below.
- 1.1.12. **“Company Properties”** shall have the meaning ascribed to it in paragraph 5.2 of **Part B** of **Schedule 3**.
- 1.1.13. **“Company Warranties”** shall collectively mean the Business Warranties and the Fundamental Warranties.
- 1.1.14. **“Conditions Precedent”** shall have the meaning ascribed to it in Clause 3.1 below.
- 1.1.15. **“CP Satisfaction Certificate”** shall have the meaning ascribed to it in Clause 3.2 below.
- 1.1.16. **“Designated Bank Account”** means the bank account maintained by the Company to which the Subscriber shall remit the Subscription Amount, the details of which are provided under **Part B** of **Schedule 1**.
- 1.1.17. **“Dispute”** shall have the meaning ascribed to it in Clause 9.7.1 below.
- 1.1.18. **“Encumbrance”** (including its correlative term **“Encumber”**) means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind securing, conferring any priority of payment, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) any voting agreement, interest, option, right to revenue, profits or consideration, pre-emptive rights, right of first offer, refusal or transfer restriction in favour of any Person; and (iii) any adverse claim as to title, possession or use. Provided that, Encumbrance shall exclude the restrictions under the Shareholders’ Agreement and the Articles of Association.
- 1.1.19. **“Equity Shares”** means equity shares of face value of INR 10/- (Indian Rupee Ten Only) each in the equity share capital of the Company, as may be consolidated or subdivided from time to time.
- 1.1.20. **“Founder Indemnity Cap”** shall have the meaning ascribed to it in Clause 7.2 below.
- 1.1.21. **“Founder Loans”** mean the loans provided by the Founders to the Company aggregating to INR 10,24,000 (Indian Rupees Ten Lakh Twenty Four Thousand).
- 1.1.22. **“Founder Warranties”** shall have the meaning ascribed to it in Clause 5.1 below.
- 1.1.23. **“Fully Diluted Basis”** means, that the calculation of the number of Equity Shares of the Company has been made assuming all outstanding shares or instruments convertible into or exercisable or exchangeable for Equity Shares of the Company and other rights to acquire Equity Shares of the Company have been so converted, exchanged or exercised into Equity Shares of the Company (whether or not by their terms then currently convertible, exercisable or exchangeable), including without limitation stock options (including employee stock options), warrants and any outstanding commitments to issue Equity Shares at a future date, whether or not due to the occurrence of an event or otherwise; and it is clarified that all authorized options under an employees’ stock option plan would be included for the aforesaid calculation irrespective of whether or not they have been issued, granted, vested or exercised.

- 1.1.24. **“Fundamental Warranties”** means the representations and warranties set out in **Part A of Schedule 3**.
- 1.1.25. **“Governmental Authority”** means any national, state, municipal (or equivalent) governments (including political sub-classes/ sub-divisions thereof), statutory authority, government department, agency, commission, board, tribunal, court, arbitrator, stock exchanges, any administrative or regulatory authority or other entity authorized to make laws in the jurisdictions where any of the Parties are incorporated or undertake business or are subject to.
- 1.1.26. **“Indemnified Party”** shall have the meaning ascribed to it in Clause 6 below.
- 1.1.27. **“Indemnifying Party”** shall have the meaning ascribed to it in Clause 6 below.
- 1.1.28. **“Information”** shall have the meaning ascribed to it in Clause 9.1 below.
- 1.1.29. **“INR”** means Indian Rupees.
- 1.1.30. **“Intellectual Property”** means and include collectively or individually, the following worldwide rights relating to intangible property, whether or not filed, perfected, registered or recorded: (a) patents, patent applications, patent disclosures, patent rights, including any and all continuations, continuations-in-part, divisions, re-issues, re-examinations and utility, model and design patents or any extensions thereof; (b) rights associated with works of authorship, including without limitation, copyrights, copyright applications and copyright registrations; (c) rights in trademarks, trademark registrations, and applications therefor, trade names, service marks, service names, logos and trade dress; (d) rights relating to the protection of trade secrets, databases and confidential information; (e) internet domain names, internet and world wide web (WWW) URLs or addresses; (f) software, codes, algorithms and blueprints; (g) mask work rights, mask work registrations and applications therefor; and (h) all other intellectual, information or proprietary rights anywhere in the world including rights of privacy and publicity and rights to publish information and content in any media.
- 1.1.31. **“Investor Director(s)”** shall have the meaning ascribed to it in Clause 4.2 below.
- 1.1.32. **“IT Act”** means the Income Tax Act, 1961, together with all applicable and binding by-laws, rules, regulations, orders, circulars, ordinances and directions, in each case issued under the Income Tax Act, 1961.
- 1.1.33. **“Long Stop Date”** shall have the meaning ascribed to it in Clause 3.4 below.
- 1.1.34. **“Losses”** means any and all losses, liabilities and Claims, including charges, costs, damages, fines, penalties, interest and all reasonable legal and other professional fees and expenses, including, in each case, all related Taxes, with respect to any Loss.
- 1.1.35. **“Material Adverse Effect”** means any event, occurrence, fact, condition, change, development or effect, that, individually or in the aggregate, has had or may reasonably be expected to have a material adverse effect on: (a) the ability of the Company and/or the Founders to consummate the transactions contemplated herein or to perform its obligations hereunder or pursuant to any of the Transaction Documents; or (b) the Company’s financial condition, operations, assets, liabilities or business; or (c) the validity or enforceability of any of the Transaction Documents, the validity or enforceability of any of the transactions contemplated thereunder, or of the rights or

remedies of the Subscriber and; or (d) the status and validity of any material contracts, consents or approvals required for the Company to carry on its Business.

- 1.1.36. **“Memorandum of Association”** shall mean the memorandum of association of the Company, as may be amended from time to time.
 - 1.1.37. **“Person”** means any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, society, co-operative society, Governmental Authority or any other entity (whether or not having separate legal personality).
 - 1.1.38. **“Series A1 CCPS”** shall mean reference to Series A1 compulsorily convertible cumulative preference shares of the Company having a face value of INR 10 (Indian Rupees Ten) per share, and having such terms as set out in the Shareholders’ Agreement.
 - 1.1.39. **“Service Agreement”** shall have the meaning ascribed to it in Clause 4.3.10.
 - 1.1.40. **“Shareholders’ Agreement”** shall have the meaning ascribed to it in Recital E.
 - 1.1.41. **“Subscription Amount”** means an investment amount of INR 16,79,80,908 (Indian Rupees Sixteen Crore Seventy Nine Lakh Eighty Thousand Nine Hundred Eight) payable by the Subscriber to the Company towards subscription of the Subscription Shares.
 - 1.1.42. **“Subscription Shares”** means 100 (One Hundred) Equity Shares and 61,567 (Sixty One Thousand Five Hundred and Sixty Seven) Series A1 CCPS.
 - 1.1.43. **“Tax, Taxes or Taxation”** means any and all form of direct and indirect taxes (including any withholding tax) with reference to income, profits, gains, dividend, turnover, gross receipts, sale of goods, provision of services, including but not limited to all duties (including stamp duties), charges, fees, levies, surcharge, cess or other similar assessments by or payable to a Governmental Authority (including its agents and Persons acting under its authority), and any interest, charges, surcharges, fines, penalties, or additions to tax.
 - 1.1.44. **“Transaction”** means the issuance and allotment of the Subscription Shares to the Subscriber by the Company in accordance with the terms of this Agreement.
 - 1.1.45. **“Transaction Documents”** means this Agreement, the Shareholders’ Agreement and such other documents mutually designated as a ‘Transaction Document’ by the Subscriber and the Company.
 - 1.1.46. **“Transfer”** (including the terms **“Transferred”**) means to directly or indirectly transfer, sell, assign, Encumber in any manner, place in trust (voting or otherwise), exchange, gift or transfer by operation of law.
 - 1.1.47. **“Warranties”** shall collectively mean the Company Warranties and the Founder Warranties.
- 1.2. Except where the context requires otherwise, this Agreement will be interpreted as follows:

- 1.2.1. **Irrelevance of Gender and Plurality.** All reference to the singular shall be deemed to include the plural form, and vice versa. Any pronoun shall include the corresponding masculine, feminine and neuter forms.
- 1.2.2. **References.** All references herein to the Recitals, Clauses and Schedules shall be deemed to be references to the Recitals, Clauses and Schedules of this Agreement. The terms “clause(s)” and “subclause(s)” shall be used herein interchangeably. The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement. The words “include”, “includes”, and “including” shall be deemed to be followed by the words “without limitation”. Any reference to “writing” shall include printing, typing, lithography and other means of reproducing words in visible form (including emails).
- 1.2.3. **Headings.** The headings to the Clauses herein are inserted for convenience and ease of reference only and shall not affect the construction or interpretation of this Agreement.
- 1.2.4. **Default Rules.** (i) All references to a Person also refer to that Person’s successors and permitted assigns. (ii) All references to any agreement, deed, instrument, law or statute herein or in any agreement, deed or instrument referred to herein, shall mean such agreement, deed, instrument, law or statute, agreement or deed, as may be amended, modified, supplemented or restated, from time to time, including (in the case of agreements, instruments and deeds) by waiver or consent and (in the case of law and statutes) by succession of comparable successor law and statutes.
- 1.2.5. **Drafting.** The Parties have participated jointly in the negotiation and drafting of this Agreement. Accordingly, in the event an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any provisions of this Agreement.

2. SUBSCRIPTION AND ISSUE OF SUBSCRIPTION SHARES

- 2.1. On the terms and subject to the conditions set forth in this Agreement and in material reliance upon the agreements, undertakings, covenants and Warranties provided by the Company and the Founders under this Agreement, the Subscriber agrees to subscribe the Subscription Shares and the Company agrees to issue the Subscription Shares to the Subscriber, together with all rights, title and interests attached thereto and free and clear of all Encumbrances, for the Subscription Amount.
- 2.2. The Founders hereby agree to the allotment and issue of the Subscription Shares on the terms and conditions set out in the Agreement and waive (if any) all pre-emptive rights and other rights that each may have with respect to the issue and allotment of the Subscription Shares, whether conferred by the Articles, by contract or otherwise. Except for repayment of the Founder Loans, the Founders hereby irrevocably waive all possible and pending claims, of any kind whatsoever against the Company and its Assets, and its directors, officers and employees.

3. CONDITIONS PRECEDENT TO CLOSING AND INTERIM PERIOD OBLIGATIONS

- 3.1. The obligation of the Subscriber to subscribe to the Subscription Shares and to remit the Subscription Amount to the Company is subject to the fulfilment of the following actions (“**Conditions Precedent**”), in accordance with Applicable Law, to the Subscriber’s satisfaction. Notwithstanding the foregoing, to the extent a Condition Precedent does not relate to compliance with Applicable Law, the Subscriber shall have the right, at its sole discretion, to waive any of the Conditions Precedent by notification to the Company / Founders, as the case may be.

- (i) Finalization of the restated Articles in a form approved by the Subscriber.
- (ii) The Warranties shall be true and correct and not misleading as on the Closing Date in all respects, with the same force and effect as if they had been made on and as of the Closing Date.
- (iii) The Company shall have obtained all approvals, authorizations, consents and waivers necessary for: (a) execution of the Transaction Documents; (b) completion of the subscription, and issue of the Subscription Shares to the Subscriber; and (c) appointment of authorised Persons to execute the Transaction Documents, and the Company shall have provided the Subscriber with proof of all such authorizations, approvals, consents and waivers.
- (iv) There is no administrative, investigatory, judicial or arbitration proceedings seeking to enjoin or seek damages from the Company in connection with the allotment or issuance of the Subscription Shares, and there being no order, injunction, or other action issued, which involves a challenge or seeks to, or which prohibits, prevents, restrains, restricts, delays, makes illegal or otherwise interferes with the consummation of any of the Transaction.
- (v) There shall not be any event(s) or condition(s) of any character that constitutes a Material Adverse Effect as on Closing Date.
- (vi) The Board shall have convened a meeting to pass appropriate resolutions to:
 - a) increase the authorized capital of the Company for the Transaction and subsequently alter the Memorandum of Association;
 - b) to approve issuance of the Subscription Shares to the Subscriber on a private placement basis and approve issue of offer letter in Form PAS-4; and
 - c) issue a notice to convene an extraordinary general meeting of the shareholders of the Company for approving: (A) the increase in the authorized capital of the Company and subsequent alteration of the Memorandum of Association; (B) the issuance of the Subscription Shares to the Subscriber; and (C) the issuance of offer letter along with application form to the Subscriber.
- (vii) The Company shall have convened a general meeting, and the shareholders of the Company shall have passed special resolutions approving the increase in authorized share capital, subsequent amendments to the Memorandum of Association and approving the issuance of the Subscription Shares and issuance of offer letter along with application form to Subscriber.
- (viii) The Company shall file with the Registrar of Companies and thereafter deliver to the Subscriber copy (along with the challan): (a) Form MGT-14 and Form SH-7 with the Registrar of Companies (“**ROC**”), reporting the increase in authorized share capital of the Company and amendment to its Memorandum of Association; and (b) Form MGT-14 with respect to the special resolution passed by the shareholders of the Company approving the issuance of the Subscription Shares to the Subscriber.
- (ix) The Company shall promptly provide the duly signed certified true copy of the aforesaid resolutions passed by the shareholders and the Board to the Subscriber.
- (x) The Company shall have delivered the offer letter in Form PAS - 4 to the Subscriber for

subscription to the Subscription Shares, along with the share application form.

- (xi) The Company shall have procured and delivered to the Subscriber a valuation report from a SEBI registered category merchant banker / reputed chartered accountant and a registered valuer, in respect of the Subscription Shares, as per Applicable Law including the Act, the IT Act and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019.
 - (xii) The Founders' employment agreements shall have been restated to the satisfaction of and as per the standards of the Subscriber. The Founders' employment agreements shall provide for appropriate restrictive covenants and protection and transfer of Intellectual Property.
- 3.2. Upon completion/ satisfaction and/or waiver (as the case may be) of the Conditions Precedent, the Company shall issue a written notice confirming the same to the Subscriber as per **Schedule 4** of this Agreement along with all necessary documents evidencing such completion / satisfaction of the Conditions Precedent ("**CP Satisfaction Certificate**") for the Subscriber's acknowledgement (acting reasonably).
- 3.3. Subject to Clause 3.1, by the 3rd (third) Business Day from the issuance and acknowledgement of the CP Satisfaction Certificate as set out in Clause 3.2 above (or such other date as may be mutually agreed upon by the Parties) ("**Closing Date**"), the Parties shall undertake Closing as provided in Clause 4 below.
- 3.4. The long stop date for the Closing shall be January 15, 2025, or such date as may be extended with the mutual written agreement of the Parties (the "**Long Stop Date**").
- 3.5. From the Execution Date and until the Closing Date ("**Interim Period**"), the Company shall, and the Founders shall ensure that the Company shall, during the Interim Period: (i) conduct the Business in the ordinary course of business, consistent with past practice and in accordance with Applicable Law in material respect; (ii) preserve intact its current Business and Assets, subject to any actions undertaken in the ordinary course of business and to comply with the terms of this Agreement and comply with Applicable Law; (iii) not change or hire any Chief Executive Officer and/or key managerial personnel, subject to any casual vacancies that arise in respect thereof; (iv) not make any change in the constitution of the Board in any manner, unless otherwise provided by Transaction Documents; (v) not permit any change in capital structure of the Company, unless required pursuant to the terms of this Agreement; (v) not avail any debt or raise capital in any manner; (vi) not execute any material contracts; and / or (vii) not solicit, encourage, entertain, initiate or participate in any inquiry, negotiations or discussions or enter into any agreement with respect to any offer or proposal to invest or acquire Dilution Instruments in the Company. During the Interim Period, the Company shall conduct its Business, and the Founders shall procure that the Company shall conduct its Business in a manner, and shall otherwise use all reasonable efforts, so as to ensure that the Warranties shall continue to be true and correct in all respects on and as of the Closing Date as if made on and as of the Closing Date. Each of the Company and the Founders shall immediately (and in any event not after 5 (five) days) notify the Subscribers in writing, together with all relevant information in its possession, if any of the following events occur during the Interim Period, with respect to such Party: (i) there has been a change or effect that would be material to the Business or operations of the Company, including if any Material Adverse Effect has occurred; or (ii) there has been a breach of any of the Warranties, agreements, covenants, obligations or conditions required by this Agreement to be so performed or complied with by such Party, at or before the Closing Date.
- 3.6. Clause 3.5 shall not operate to restrict or prevent:

- (a) any action taken at the request of the Subscriber or with its prior written approval; or
- (b) any matter expressly contemplated or provided for in any of the Transaction Documents.

4. CLOSING

- 4.1. Subject to the terms of this Agreement, on the Closing Date, the Company and the Founders shall issue a certificate to the Subscriber in the form and manner attached in **Schedule 5** (“**Closing Certificate**”). Immediately upon receipt and acceptance of the Closing Certificate by the Subscriber (in its sole discretion), the Subscriber shall remit the entire Subscription Amount to the Designated Bank Account.
- 4.2. Immediately upon receipt of the Subscription Amount from the Subscriber, the Board shall pass resolutions for the following and the Company shall promptly provide duly certified copy of such resolutions to the Subscriber: (i) effect the allotment of the Subscription Shares to the Subscriber; (ii) make necessary entries in the Company’s register of members in respect of the Subscription Shares; (iii) authorize a director/ key managerial personnel of the Company to undertake necessary filings, applications, reporting and actions, in relation to the issue and allotment of the Subscription Shares; and (iv) issue the duly executed and adequately stamped letter of allotment and share certificate, and record the Subscriber’s details as shareholders of the Company in its register of members; (v) approve appointment of (a) Gaurav Singh Kushwaha, (b) Sudeep Nagar, and (c) Vipin Sharma as additional non-executive directors (“**Investor Directors**”) on the Board, in accordance with the Transaction Documents, subject to the Company having received details of such individuals along with the necessary authorizations and declarations required under Applicable Law; (vi) make necessary entries in the Company’s register of directors in respect of the appointment of the Investor Directors on the Board; (vii) approve and adopt the restated Articles (in a form approved by the Subscriber), subject to approval of the shareholders’ of the Company in a shareholders’ meeting; and (viii) issue a notice to convene an extraordinary general meeting of the shareholders of the Company at short notice.
- 4.3. The Parties shall complete the following post-closing actions within the timelines specified for each of the following:
 - 4.3.1. Within 1 (one) day of the Closing Date, convene an extraordinary general meeting of the shareholders to: (i) approve and adopt the restated Articles; and (ii) approve the appointment of Investor Directors as non-executive directors on the Board.
 - 4.3.2. Within 1 (one) day of the Closing Date, the Company shall: (i) update register of members and directors of the Company; and (ii) provide to the Subscriber the certified true copies of: (x) the restated Articles; (y) the resolutions passed by the Board under Clause 4.2; and (z) the resolutions passed by the shareholders’ of the Company resolutions at Clause 4.3.1.
 - 4.3.3. Within 10 (ten) days of the Closing Date, complete all statutory filings required under Applicable Law pursuant to the Closing, including (a) Form PAS-3 under Companies (Prospectus and Allotment of Securities) Rules 2014; (b) Form MGT-14 under Companies (Registration offices and fees) Rules, 2014, in relation to the special resolution filed for the restated Articles (along with challan); and (c) Form DIR 12 under Companies (Appointment and Qualification of Directors) Rules, 2014 (along with challan), and provide copies of the same to the Subscriber.
 - 4.3.4. Within 15 (fifteen) days of the Closing Date, the Company shall have procured directors and officers insurance policy(ies) for the Investor Directors as per the terms of the Shareholders’ Agreement.

- 4.3.5. Within 15 (fifteen) days of the Closing Date, the Company shall amend the main objects clause of its Memorandum of Association to suitably widen its scope so as to better reflect the Business of the Company, in the form and manner acceptable to the Subscriber.
- 4.3.6. Within 30 (thirty) days of the Closing Date, Company shall undertake all actions required for generating ISIN and payment of stamp duty for issuance of Subscription Shares and instruct the depository participant of the Company to credit the Subscription Shares to the demat account of the Subscriber as provided in **Part A of Schedule 1**.
- 4.3.7. Within 60 (sixty) days of the Closing Date, the Company shall have registered itself as a 'startup' under the 'Startup India Scheme' and shall have applied for and obtained a certificate of recognition from the Department for Promotion of Industry and Internal Trade.
- 4.3.8. Within 60 (sixty) days of the Closing Date, the Company shall have obtained registration / license under the Karnataka Shops and Commercial Establishment Act, 1961, for its office located at property bearing no. 453, BBMP No. 351/453, 4th sector, HSR Layout, Bengaluru, 560102.
- 4.3.9. Within 60 (sixty) days of the Closing Date, the Company shall have constituted an 'internal complaints committee' for each of its offices, as required pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- 4.3.10. Within 60 (sixty) days of the Closing Date, the Company shall have terminated the unstamped service agreement ("**Service Agreement**") dated November 29, 2024 executed between Clomoso Technologies Private Limited and the Company for use of designated area (i.e., 4 units) at property bearing no. 453, BBMP No. 351/453, 4th sector, HSR Layout, Bengaluru, 560102, and shall execute a duly stamped lease / license / service agreement for the use of the aforesaid designated area.
- 4.4. If the provisions of Clause 4.2 are not complied with by the Company, the Subscription Amount shall be remitted back to the Subscriber within 1 (one) Business Day from receiving written instructions from the Subscriber. Upon such non-compliance and issuance of written instruction, the Subscriber will have the further right to terminate this Agreement without any liability or obligation on any account whatsoever to the Company under this Agreement.
- 4.5. All actions contemplated under this Agreement to be consummated at Closing shall be deemed to occur simultaneously and no such action shall be deemed to be consummated unless all such actions are consummated.

5. REPRESENTATIONS AND WARRANTIES

- 5.1. The Company and the Founders hereby, jointly and severally, represent and warrant to the Subscriber that all the Company Warranties are true and correct in all respects on the Execution Date and Closing Date. The Founders hereby, jointly and severally, represent and warrant to the Subscriber that all the representations and warranties in **Part C of Schedule 3** are true and correct in all respects on the Execution Date and Closing Date ("**Founder Warranties**"). If the Company and the Founders do not notify the Subscriber in writing and prior to Closing that the Company Warranties and/or the Founder Warranties are not true and correct as on the Closing Date, it shall be automatically deemed that the Warranties are true and correct as on the Closing

Date. For avoidance of doubt, the Subscriber will not be obligated to consummate the Transaction if the Warranties are not true and correct as on the Closing Date.

- 5.2. The Subscriber shall have the right to make a Claim for breach of a Warranty even if the Subscriber has or could have discovered (whether by any investigation made by it or on its behalf) that a Warranty is not true, complete or accurate.
- 5.3. None of the Warranties shall be treated as qualified by any investigation or due diligence (if any) conducted by or on behalf of the Subscriber to or any actual, imputed or constructive knowledge acquired or capable of being acquired at any time by or on behalf of the Subscriber, whether before or on the Closing Date, with respect to the accuracy or inaccuracy of any Warranties.
- 5.4. The Subscriber warrants that:
 - (a) it is duly incorporated and validly existing under the laws of India;
 - (b) it has the full corporate power and authority under Applicable Law to enter into, execute and perform its obligations under this Agreement, the Transaction Documents and all other documents and instruments required to be executed pursuant thereto or in connection therewith;
 - (c) it has entered into this Agreement on its own behalf, and has full power and authority to enter into and comply with its obligations under the Transaction Documents and has obtained all corporate authorizations and all other applicable governmental, statutory, regulatory or other consents, approvals, licenses, waivers or exemptions required to empower it to enter into and to perform its obligations under this Agreement and Transaction Documents;
 - (d) the Transaction Documents constitute valid and legally binding obligations of the Subscriber and are enforceable against the Subscriber in accordance with its terms;
 - (e) this Agreement has been duly executed and delivered by the Subscriber and the execution of this Agreement and/or consummation of any of the obligations of the Subscriber hereunder will not conflict, be contrary to or violate its constitutional documents and/or any Applicable Law.
 - (f) it is not insolvent or is not unable to pay its debts other than as the result of a failure to pay a debt which is the subject of a good faith dispute;
 - (g) it, and to the best of its knowledge its beneficial owners, are not an entity/Person of a country which shares land border with India; provided that the term 'beneficial owner' of the Subscriber means a natural person who, together with persons acting in concert with such natural person, owns or is entitled to more than 10% of the shares or capital or profits of the Subscriber or is in 'control' (as defined under the Companies Act, 2013) of the Subscriber;
 - (h) no application or order has been made or resolution passed in respect of the winding-up, dissolution or administration; and
 - (i) no Person authorized under Applicable Law has appointed or threatened to appoint or become entitled to appoint an official administrator or liquidator other similar officer over its business or its assets.

6. INDEMNITY

Subject to the provisions of Clause 7 (*Limitations on Liability*), the Company and the Founders (“**Indemnifying Parties**”) agree to, jointly and severally, indemnify, defend and hold harmless, the Subscriber, its directors, officers and employees (“**Indemnified Party**”) from and against any and all Losses of the Indemnified Party (to the fullest extent permitted under the Applicable Law) arising out of, resulting from or in connection with: (a) any breach or inaccuracies of any Warranties, (b) any breach of/non-compliance with any material covenants or undertakings of the Company and/or the Founders contained in this Agreement, and (c) any fraud or gross negligence or wilful misconduct in relation to the Company, the Transaction and/or the Transaction Documents.

7. LIMITATIONS ON LIABILITY

7.1. **Overall Indemnity Cap.** The maximum liability of the Indemnifying Parties in respect of any and all Claims against it in connection with this Agreement, towards the Indemnified Party shall not exceed 100% (One Hundred percent) of the Subscription Amount paid by Subscriber pursuant to this Agreement (“**Aggregate Indemnity Cap**”). The Aggregate Indemnity Cap shall not be applicable in the event of fraud, gross negligence or wilful default attributable to the Company and/ or the Founders.

7.2. **Founder Indemnity Cap.** The recourse of the Indemnified Parties against the Founder shall be limited to the aggregate of: (a) the securities of the Company held by such Founder and/or its Affiliates at the point of time of the Claim and (b) the proceeds received by such Founder and/or its Affiliates from the Transfer of securities of the Company prior to the point of time of the Claim (“**Founder Indemnity Cap**”). The Founder Indemnity Cap shall not be applicable, in the event of fraud, gross negligence or wilful default attributable to the Founder.

7.3. **Time Limitation.** The Indemnified Parties shall be entitled to make a Claim for Losses from the Indemnifying Party in connection with this Agreement: (i) indefinitely, for inaccuracy or breach of the Fundamental Warranties; and (ii) within a period of 7 (seven) years only from the end of the Financial Year in which the Closing occurs and not thereafter, for inaccuracy or breach of the Company Warranties.

Notwithstanding anything to the contrary contained in this Clause 7.3, any indemnity Claim arising under this Agreement on account of any fraud by the Company and/or the Founders, as the case may be, shall not be subject to the time limits set-out in this Clause 7.3.

7.4. **Permitted Actions.** The Indemnifying Party(ies) shall not be liable in respect of a Claim or Loss in connection with this Agreement to the extent that such Claim has directly arisen solely due to a breach of the Agreement by any of the Indemnified Party and/ or any act, transaction or omission of the Indemnifying Party(ies) on the written instructions/approvals of the Indemnified Party and not otherwise.

7.5. **Indirect Loss.** The Indemnifying Party/Parties shall not be liable in connection with this Agreement for any indirect, consequential, exemplary or punitive Losses.

7.6. **No Double Recovery.** The Indemnified Party may not recover from the Company and the Founders in respect of a Claim under this Agreement more than once for the same Loss. For avoidance of doubt, nothing herein shall restrict or limit the Indemnified Party from claiming an incremental amount of Loss for a given Claim.

7.7. **Gross-up.** (A) Any indemnification payment under Clause 6 (*Indemnity*) shall be made free and clear of and without any deductions or withholding of any kind. In case any withholding or deduction is required, the payment amount shall be grossed up such that the Claim amount is

realised in full by the Indemnified Party (but subject to the caps under Clauses 7.1 and 7.2, as applicable). (B) Further, if the indemnity payments made to the Indemnified Party is subject to Tax in the hands of the Indemnified Party (including being treated as its assessable income), the Indemnifying Party shall pay such additional amounts to the Indemnified Party so as to ensure that the Indemnified Party receives the full amount that it would have been entitled to, had the indemnity payment not been made subject to such Taxes (but subject to the caps under Clauses 7.1 and 7.2, as applicable). (C) The Company, the Founders and the Subscriber acknowledge that any Losses incurred or suffered by the Company shall also be deemed, for the purpose of Clause 6 (*Indemnity*) to be Losses incurred or suffered by the Subscriber, in proportion to its shareholding in the Company (on a Fully Diluted Basis) to the extent acquired pursuant to the Transaction. Any indemnity as referred to above shall be such as to make good the Losses incurred by the Indemnified Party and to place the Indemnified Party in the same position as it would have been in had there not been any breach or inaccuracy, subject to Clause 7. Without prejudice to the preceding provisions of this Clause 7.7 and in relation to Clause 6, the Losses payable as a result of any Claim by the Indemnified Party, and where such Losses are paid by the Company, then the Losses so paid by the Company shall, subject to Clause 7, be grossed-up to take into account the amount of such payment that would be indirectly borne by the Indemnified Party by reason of its interest in the Company in proportion to its shareholding in the Company (on a Fully Diluted Basis) to the extent acquired pursuant to the Transaction. The grossed-up amount shall be computed as per the following formula:

Subscriber Indemnity Amount / (1 – percentage of the share capital held by the Investor (on a Fully Diluted Basis) pursuant to the Transaction (as aforesaid) expressed as a fraction),

where the Subscriber Indemnity Amount = original amount payable as Losses to the Subscriber based on the pro rata shareholding of the Subscriber (on a Fully Diluted Basis) pursuant to the Transaction (as aforesaid).

By way of illustration, if the Losses paid by the Company is INR 10,000 and if the Subscriber has 10% shareholding in the Company (on a Fully Diluted Basis) pursuant to the Transaction, then the pro rata share of the Subscriber in the Losses payable is INR 1,000 (i.e., INR 10,000 x 10%). Further, INR 1,000 is the Subscriber Indemnity Amount, and the same shall be grossed up to the extent of the Subscriber's aforesaid shareholding of 10% in the Company (i.e. the Subscriber Indemnity Amount = INR 1,000 and percentage of the share capital held by the Investor expressed as a fraction = 1/10). Accordingly, INR 1,111.11 (i.e. INR 1,000 / (1 – 1/10)), shall be paid by the Company to the Subscriber.

- 7.8. An Indemnifying Party shall not be liable for a Claim pertaining to any breach of covenants and/or obligations, if such breach is remedied within 30 (thirty) days of occurrence of such breach. Notwithstanding the foregoing, if the Indemnified Party incurs any Loss pursuant to such breach, then the Indemnifying Party shall be liable to indemnify the Indemnified Party for such Loss.

8. TERMINATION

- 8.1. The Agreement shall continue in full force and effect until terminated in writing by the Parties by mutual consent.
- 8.2. The Agreement may be terminated by the Subscriber for any breach of the Warranties or any covenants or other obligations of the Company and/or the Founders under this Agreement, which, if capable of being cured, has not been cured within 10 (ten) days of delivery of notice of such default or the Long Stop Date, whichever is earlier.
- 8.3. The Agreement shall automatically terminate if Closing does not occur by the Long Stop Date.

- 8.4. The Parties expressly agree that the provisions of Clause 1 (*Definitions and Interpretation*), Clause 6 (*Indemnity*), Clause 7 (*Limitations on Liability*), this Clause 8.4 and Clause 9 (*Miscellaneous*) shall survive the termination of this Agreement. Termination shall not affect the Company's and the Founders' accrued rights and obligations as on the date of termination.

9. MISCELLANEOUS

- 9.1. **Confidentiality.** Each Party shall keep confidential all information relating to the other Party, the Transaction Documents and information relating to the transactions contemplated herein (collectively referred to as the "**Information**"). The Founders shall ensure that they maintain confidentiality regarding the Business and affairs of the Company. The Parties shall be permitted to disclose all aspects of this transaction to their respective employees, directors, investment bankers, accountants, advisors, legal counsel and in so far as it is disclosed in each case only on a need to know basis and where such Persons are under appropriate nondisclosure obligations imposed by professional ethics, law or contracts on terms no less favourable than those contained herein.

Nothing contained herein shall affect the ability of the Parties to make disclosure under Applicable Law or any order of the court or any other regulatory authority. The Subscriber may disclose all confidential information about the Company to its affiliates, shareholders, lenders, potential investors, advisors and any potential purchasers of securities of the Company. Neither the Company nor the Founders shall make any disclosures, announcements or media statement or press release about the subject matter of this Agreement to any third party without prior written consent of the Subscriber.

- 9.2. **Successors and Assigns.** Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, permitted assigns, heirs, executors and administrators of the Parties. The Agreement and the rights and/or obligations herein may be assigned/ novated by the Subscriber to the Person to whom the securities of the Company held by them are Transferred. The Founders shall not assign any of the rights or obligations under this Agreement without obtaining the written consent of the Subscriber.
- 9.3. **Notices.** Notices, demands or other communication required or permitted to be given or made under this Agreement shall be in writing and delivered personally or sent by prepaid post with recorded delivery, or email addressed to the intended recipient at its address set forth in **Schedule 1** (as applicable), or to such other address or email address as a Party may from time to time duly notify to the others. Any such notice, demand or communication shall, unless the contrary is proved, be deemed to have been duly served at the time of delivery in the case of service by delivery in person or by post, and on transmission in the case of service by email.
- 9.4. **Waivers, Delays or Omissions.** No delay or omission in exercise of any right, power or remedy accruing to any Party, upon any breach or default of any other Party hereto under the Agreement, shall impair any such right, power or remedy of any Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of any similar breach or default thereafter occurring. No waiver of any breach of any provision of this Agreement shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving Party.
- 9.5. **Severability.**
- 9.5.1. Each and every obligation under this Agreement shall be treated as a separate obligation and shall be severally enforceable as such in the event of any obligation or obligations being or becoming unenforceable in whole or in part.

- 9.5.2. To the extent that any provision or provisions of this Agreement are unenforceable they shall be deemed to be deleted from this Agreement and any such deletion shall not affect the enforceability of the remainder of this Agreement not so deleted, and provided the fundamental terms of this Agreement are not altered.

9.6. Governing Law and Jurisdiction.

- 9.6.1. This Agreement shall be governed by and construed in accordance with the laws of India; and
- 9.6.2. Subject to Clause 9.7 (*Dispute Resolution*) below and in case of enforcement proceedings, the courts at NCR (National Capital Region), India shall have exclusive jurisdiction on the matters arising in relation to this Agreement, including for the purposes of obtaining interim reliefs (including but not limited to temporary jurisdiction), without regard to the principles of conflicts of laws.

9.7. Dispute Resolution.

- 9.7.1. All disputes and differences arising out of or in connection with any of the matters set out in this Agreement (“**Dispute**”), shall at the first instance be resolved through good faith negotiations between the Parties hereto, which negotiations shall begin promptly, within 15 (fifteen) calendar days after a Party has delivered to the other Party a written request for such consultation. If the Parties are unable to resolve the Dispute in question within 15 (fifteen) calendar days of the commencement of negotiations, the Dispute (to the extent arbitrable) may be referred by either Party to and thereupon shall finally and conclusively be settled by arbitration in accordance with the Arbitration and Conciliation Act, 1996, of India, for the time being in force. The Parties shall jointly appoint a mutually agreed sole arbitrator.
- 9.7.2. The arbitrator shall render a decision in writing with respect to the appropriate award to be rendered or remedy to be granted pursuant to the dispute.
- 9.7.3. The arbitration shall be conducted in English, and the venue for arbitration shall be NCR (National Capital Region).
- 9.7.4. The arbitrators shall be entitled to award costs of the arbitration.
- 9.7.5. Each Party shall participate in good faith to reasonably expedite (to the extent practicable) the conduct of any arbitral proceedings commenced under this Agreement.
- 9.7.6. Subject to Clause 9.6.2, nothing shall preclude the Subscriber from seeking interim or permanent equitable or injunctive relief, or both, from the competent courts having jurisdiction to grant relief on any Disputes or differences arising from this Agreement. The pursuit of equitable or injunctive relief shall not be a waiver of the right to pursue any remedy (including for monetary damages) through the arbitration described in this Clause 9.7.

- 9.8. Amendments and Waivers.** No amendment or variation of this Agreement shall be binding on any Party unless such amendment or variation is in writing and duly signed by both Parties.

- 9.9. Cumulative Remedies.** All the remedies available to the Parties, either under this Agreement or under Applicable Law or otherwise afforded, will be cumulative and not alternative or exclusive of any rights, powers, privileges or remedies provided by this Agreement, Applicable Law or otherwise. No single or partial exercise of any right, power, privilege or remedy under

this Agreement shall prevent any further or other exercise thereof or the exercise of any other right, power, privilege or remedy.

- 9.10. **Specific Performance.** This Agreement shall be specifically enforceable. Each of the Parties shall be entitled to seek an injunction, restraining order, suit for specific performance and/or such other equitable relief, as a court or arbitrator of competent jurisdiction may deem necessary or appropriate, to restrain the other Parties from committing any violation or enforce the performance of the covenants, representations, warranties and obligations contained in this Agreement. The Parties agree that the Subscriber may suffer irreparable damage and harm in the event of any material breach of this Agreement, and the remedies at Applicable Law in respect of such breach may be inadequate. These remedies are cumulative and are in addition to any other rights and remedies the Parties may have under contract, law, tort, equity, custom, trade, usage or otherwise.
- 9.11. **Further Actions.** Each Party shall, at any time and from time to time, upon the written request of other Party(ies) promptly and duly execute and deliver all such further instruments and documents and do or procure to be done all such acts or things, as the other Party(ies) may reasonably deem necessary or desirable in obtaining the full benefits of this Agreement and of the rights and ownership granted thereby.
- 9.12. **Entire Agreement.** This Agreement (along with the other Transaction Documents) constitutes the whole agreement between the Parties relating to the subject matter hereof and supersedes any prior arrangements whether oral or written, relating to such subject matter.
- 9.13. **Relationship between Parties.** The Parties are independent contractors. None of the provisions of this Agreement shall be deemed to constitute a partnership or an association of Persons between the Parties hereto and no Party shall have any authority to bind or shall be deemed to be the agent of the other in any way.
- 9.14. **Counterparts.** This Agreement may be executed in any number of originals or counterparts, each in the like form and all of which when taken together shall constitute one and the same document, and any Party may execute this Agreement by signing any one or more of such originals or counterparts.
- 9.15. **Costs.** The Company shall bear the expenses in relation to the stamp duties and fees relating to this Agreement and issuance of Subscription Shares. Except as provided otherwise, the Subscriber shall bear its own fees and expenses (including without limitation the legal fees incurred by it) for the purpose of the Transaction.

SCHEDULE 1

PART A DETAILS OF THE SUBSCRIBER

Name of the Subscriber	Particulars
Bluestone Jewellery and Lifestyle Limited	<p>Address: <u>Registered Office</u>: Site No. 89/2 Lava Kusha Arcade Munnekolal Village, Outer Ring Road, Marathahalli, Bengaluru 560037; and</p> <p><u>Corporate Office</u>: 302, Dhantak Plaza, Makwana Rd, Gamdevi, Marol, Andheri East, Mumbai, Maharashtra 400059</p> <p>Attention: Gaurav Singh Kushwaha; Rumit Dugar</p> <p>E-mail: gaurav.kushwaha@bluestone.com; rumit.dugar@bluestone.com</p> <p>Demat Account Details: To be provided separately (in writing)</p>

PART B DETAILS OF THE COMPANY

Sl. No.	Particulars	Details
1.	Name	Ethereal House Private Limited
2.	Registered Office	Plot No. 44, Ground Floor, Sector -32, DLF QE, Gurgaon, Haryana, 122002
3.	Email address and Phone Number	Attention: Sharad Arora and Nitesh Jain Email: sharad@etheradiamonds.com ; and nitesh@etheradiamonds.com
4.	Designated Bank Account and Wire Instructions	A/c Holder – Ethereal House Pvt Ltd Bank – HDFC Bank A/c no – 50200104589777 SWIFT Code – HDFCINBBXXX IFSC – HDFC0004101 Name and Contact Details: Same as above

PART C DETAILS OF THE FOUNDERS

Sl. No.	Name of the Founder	Particulars and Information for Notices and Emails
1.	Nitesh Jain	Email ID: nitesh@etheradiamonds.com Address: 303 Westblock, R.J Gardens, Eshwaralayout, Indiranagar, Bengaluru, Karnataka, 560038 Phone No: +91 7975256324
2.	Sharad Arora	Email ID: sharad@etheradiamonds.com

		Address: Villament 140204, Shriram Chirping Woods, 12th Main, Shubh Enclave, Harlur Road, Bengaluru - 560102 Phone No: +91 9999700593
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SCHEDULE 2

Part A- Shareholding Pattern (on a Fully Diluted Basis) as on Execution Date

Sr. No.	Name of the Shareholder	No. of Equity Shares	Shareholding percentage on a Fully Diluted Basis*
1.	Nitesh Jain	10,000	46.16%
2.	Sharad Arora	10,000	46.16%
3.	ESOP Pool	1,666	7.69%
Total		21,666	100%

Part B - Shareholding Pattern (on a Fully Diluted Basis) as on Closing Date

Sr. No.	Name of the Shareholder	No. of Equity Shares	No. of Series A1 CCPS	Shareholding percentage on a Fully Diluted Basis
1.	Nitesh Jain	10,000	-	12%
2.	Sharad Arora	10,000	-	12%
3.	Bluestone Jewellery and Lifestyle Limited	100	61,567	74%
4.	ESOP Pool	1,666	-	2%
Total		21,766	61,567	100%

**Rounded off to two decimals*

SCHEDULE 3

PART A COMPANY FUNDAMENTAL WARRANTIES

The Company and Founders, jointly and severally, represent and warrant to the Subscriber as on Execution Date and Closing Date as follows:

1. The Company is a private limited company duly incorporated and validly existing under the laws of India. The Company is qualified to do Business under Applicable Laws has full corporate power and authority to own, lease and operate its Assets and to conduct its Business as now being conducted.
2. The Company is a body corporate, having the full corporate power and authority under Applicable Law to enter into, execute and perform its obligations under this Agreement, the Transaction Documents and all other documents and instruments required to be executed pursuant thereto or in connection therewith.
3. The Company is entering into this Agreement on its own behalf and has full power and authority to enter into and comply with its obligations under the Transaction Documents and has obtained all corporate authorizations and all other applicable governmental, statutory, regulatory or other consents, approvals, licenses, waivers or exemptions required to empower it to enter into and to perform its obligations under this Agreement and Transaction Documents.
4. The Transaction Documents constitute valid and legally binding obligations of the Company and are enforceable against the Company in accordance with its terms.
5. This Agreement has been duly executed and delivered by the Company and the execution of this Agreement and/or consummation of any of the obligations of the Company hereunder will not conflict, be contrary to or violate the Articles or Memorandum of Association, and any Applicable Law or agreement or license that it is a party to or bound by.

6. **Solvency**

None of the following has occurred or is subsisting, or threatened (orally or in writing), in relation to the Company:

- 6.1. appointment of an administrator or liquidator;
- 6.2. an application or an order passed, proceedings commenced, resolution passed or proposed in a notice of meeting or other steps taken for:
 - (a) its winding up, dissolution or administration; or
 - (b) entering into an arrangement, compromise or composition with or assignment of the benefit of its creditors or a class of them;
- 6.3. the Company:
 - (a) being (or taken under Applicable Law to be) unable to pay its debts, other than as the result of a failure to pay a debt which is the subject of a good faith dispute; or
 - (b) stopping or suspending, or threatening in writing to stop or suspend, payment of all or a class of its debts except pursuant to a good faith dispute; or

- (c) appointment of a receiver, receiver and manager, administrator, liquidator, receiver or similar officer to any of the Assets and/or undertakings of the Company; or
 - (d) becoming bankrupt or insolvent or making an arrangement with its creditors generally or taking advantage of any statute for the relief of insolvent debtors.
- 7. There are no legal, quasi-legal, administrative or other Claims of any nature pending against the Company and it has not received notice of any such Claim against it, which relates in any manner to the Subscription Shares, this Agreement, or the Transaction or which could otherwise adversely impact its ability to perform its obligations under this Agreement.
- 8. The Company has not, nor has anyone on its behalf, done, committed or omitted any act, deed, matter or thing whereby the Subscription Shares (upon its issuance) can be forfeited, extinguished or rendered void or voidable.
- 9. On Closing, the Subscriber shall have good and marketable title to the Subscription Shares and shall be the legal and beneficial owner of the Subscription Shares, free and clear of any Encumbrance, and the Subscription Shares will be duly registered in the name of the Subscriber.
- 10. On Closing, the Subscription Shares will represent 74% of the issued and paid up share capital of the Company on a fully diluted basis.
- 11. The shareholding of the Company on a Fully Diluted Basis as on the Execution Date and Closing Date are as provided in **Schedule 2** of this Agreement.

PART B
COMPANY BUSINESS WARRANTIES

The Company and Founders, jointly and severally, represent and warrant to the Subscriber as on Execution Date and Closing Date as follows:

1. The Company has not formed any joint ventures and has not formed an association of persons for tax purposes. The Company does not own any direct or indirect equity, voting or ownership interest in any Person.
2. **Accounts and Debts**
 - 2.1. The Company's accounts are maintained in accordance with Applicable Law and applicable accounting standards.
 - 2.2. There are no Claims, liabilities or indebtedness of the Company (or related Encumbrances over its Assets), whether direct, indirect, unaccounted, contingent, accrued or otherwise, and there is no contract, commitment or arrangement to give or create any such Claim, liability, indebtedness or Encumbrance, including to any employees, and no Person has claimed to be entitled to any such Claim, liability, indebtedness or Encumbrance.
3. **Taxes**
 - 3.1. The Company is an Indian resident under the IT Act.
 - 3.2. No Taxes are or will be payable (whether on, before or after Closing) by the Company in respect of period prior to the Closing, other than as ordinarily required pursuant to Applicable Law.
 - 3.3. The Company has deducted all Taxes required to be deducted from any payments made by it and has made all requisite filings in connection with any withholding Tax obligations, in all respects.
 - 3.4. The Company has duly paid all Taxes that are due and payable and has filed all Tax returns in accordance with the relevant provisions of Applicable Law and there are no outstanding Taxes.
 - 3.5. The Company is not subject to any Tax audit or Tax Claims or liabilities or Tax proceedings. The Company has no outstanding notice of any Tax disputes or other liabilities of Taxes in respect of which a Tax Claim has been made or notice has been issued against the Company.
 - 3.6. The Company maintains and has retained for the period required by Applicable Law:
 - 3.6.1. accurate records for the Taxation purposes;
 - 3.6.2. without limiting the generality of the foregoing, accurate records of all information relating to those Assets and the transactions undertaken by the Company for Tax purposes; and
 - 3.6.3. all other records that the Company is required to maintain under Applicable Law relating to Taxes.
4. **Employees and Directors**
 - 4.1. The Company has 1 (one) employee, namely Mahima Chander Shekhar, Senior Designer; and 1 (one) intern, Anima Madwariya. Except the aforesaid, the Company does not have any employees.

- 4.2. Save and except the Founder Loans (which are outstanding as on the Execution Date), the Company has paid all amounts due and payable to its employees and directors, current and former, including without limitation, payments due upon retrenchment or termination (where applicable) save and except any *bonafide* dispute. The Company has discharged or adequately provided for in all respects its obligations to pay all salaries, wages, gratuity payments, provident fund payments, bonuses, overtime pay, sick pay, leave encashments and other benefits of or connected with employment, and no Claim in relation to the foregoing has been made by any employee or former employee.
- 4.3. The Company has complied with all its material obligations in relation to its current and former employees and directors.
- 4.4. The Company has not obtained registration / license under the Karnataka Shops and Commercial Establishment Act, 1961, and the Company has not constituted an ‘internal complaints committee’ as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Except the foregoing, the Company is materially compliant with the employment laws. The Company duly maintains all material registers and records required under employment laws.
- 4.5. The Company is in material compliance with Applicable Laws or authorization relating to the welfare, health or safety of its employees. The Company is not a party to, bound by, or negotiating in respect of any collective bargaining agreement or any other similar agreement (such as an extension order) with any labour union, association or works council.
- 4.6. The Company does not have any contract labour. No Claim in relation to the Company’s employees or any employment or labour issue has been made against the Company which is currently outstanding.

5. **Assets and Property**

- 5.1. The assets owned by the Company are of good and marketable title and free and clear of all Encumbrance, and in good working condition (wherever applicable).
- 5.2. The properties used or occupied by the Company as on the Execution Date (“**Company Properties**”) are: (i) Designated area (i.e., 4 units) in property bearing no. 453, BBMP No. 351/453, 4th sector, HSR Layout, Bengaluru, 560102; and (ii) Plot No. 44, Ground Floor, Sector -32, DLF QE, Gurgaon, Haryana, 122002. Other than the Company Properties, the Company does not own or lease or use any immovable property.
- 5.3. In respect of the Company Properties: (a) necessary documents / agreements / contracts have been executed in favour of the Company permitting it to occupy and use the Company Properties (“**Property Documents**”); and (b) the Company is in possession of Company Properties in accordance with the terms of the Property Documents.
- 5.4. The Company has a valid leasehold interest in/right to use, as the case may be, in the Company Properties, free and clear of all liens.
- 5.5. The Company in compliance with the terms of the Property Documents in all respects.
- 5.6. No part of any Company Property is leased, sub-leased or licensed, as the case may be, by the Company to a third party.

- 5.7. The Company and Founders are permitted to use the Company Property for commercial purposes under Applicable Law. Further, to the best of Company's knowledge, none of the Company Properties, are at present the subject matter of any legal proceedings.
- 5.8. The deposit paid by the Company for the Company Properties does not exceed INR 2,00,000 (Indian Rupees Two Lakh).

6. Intellectual Property Rights and Data Privacy

- 6.1. The Company is the owner or is a valid licensee of all Intellectual Property used for its Business in the manner in which it is now operated, without any claims, liabilities or Encumbrances of any manner. The Company owns or possesses all legal rights to all Intellectual Property used by the Company with respect to its Business and is not infringing the Intellectual Property rights of any other Person.
- 6.2. None of the Founders have any rights whatsoever in the Intellectual Properties used by the Company.
- 6.3. No Person has been licensed, authorised, or permitted by the Company to use the Intellectual Property used/owned by the Company.
- 6.4. The Company has complied, in all material respects, with data protection laws and has not experienced any breach of the security of any data.

7. Material contracts

- 7.1. The Company has not executed any contract which has a monetary value in excess of INR 5,00,000 (Indian Rupees Five Lakhs).
- 7.2. The Company is not a party to any contract which cannot be terminated with six months' notice. The Company is not a party to any contract which in any manner restricts the trade of or the Business of the Company.
- 7.3. The Company is not in breach of any material term or provision of any contract or judgment to which it is a party or by which it is bound. No written notice of termination has been received in respect of any contract executed by the Company, by reason of default by the Company.
- 7.4. The Company has not entered into any transactions with related parties, other than on an arm's length basis. All transactions with related parties have been undertaken by the Company in compliance with Applicable Law.
- 7.5. The Company is not and has not been a party to any transaction or arrangement which is not on arm's length or is in violation or contravention of any Applicable Law.

8. Charter Documents and Legal Compliance

- 8.1. The Articles and Memorandum of Association delivered to the Subscriber is true, complete and current, and which have not been amended since the delivery to the Subscriber. The Company has been in compliance with all provisions of the Articles and Memorandum of Association and has not entered into any transaction *ultra vires* to the Articles and Memorandum of Association.
- 8.2. The Business of the Company has been and is being conducted in accordance with the Articles and Memorandum of Association and the Company does not undertake any business other than the Business.

- 8.3. The Business and activities undertaken by the Company falls under a sector in which foreign investment is permitted up to 100% under the automatic route as per the extant foreign exchange laws in India.
- 8.4. There is no investigation, enquiry or proceeding outstanding in respect of which the Company has received any written notice or order from any Person or of which the Company is aware.
- 8.5. The Company has not received any written notice of default under any material approvals that it has obtained from any Governmental Authority, which is pending and/or outstanding.
- 8.6. There are no licenses required to be obtained by the Company which are material for conducting the Business and operations of the Company.
- 8.7. The Company has not obtained registration / license under the Karnataka Shops and Commercial Establishment Act, 1961, and the Company has not constituted an ‘internal complaints committee’ as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Except the foregoing, the Company is in material compliance with all material Applicable Laws.
- 8.8. The statutory registers, records and books of the Company have been properly maintained and are up to date in all material respects and contain accurate records.
- 8.9. The Company has not obtained registration / license under the Karnataka Shops and Commercial Establishment Act, 1961, and the Company has not constituted an ‘internal complaints committee’ as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Except the foregoing, the Company has duly completed all material statutory or regulatory filings required under Applicable Law. There are no material penalties imposed upon the Company for any delay in such filings that are outstanding.
- 8.10. **ABAC:** The Company conducts its Business in accordance with all Applicable Laws with respect to sanctions, anti-bribery, anti-corruption and anti-money laundering practices, including, without limitation, the Prevention of Money Laundering Act, 2002 and the (Indian) Prevention of Corruption Act, 1988, as applicable (“**ABAC Laws**”). The Company is not under investigation with respect to and has not received any written notice of any violation of ABAC Laws. Neither the Founders nor the Company is aware of and/or has taken any action, directly or indirectly for the ABAC Laws by the Company.

9. Insurance

The Company has not availed any insurance policies and is not required to pay any amount towards insurance premium.

10. Litigation

The Company is not subject or party to any current, pending or legal proceedings or Claims pursuant to a written notice received by the Company or otherwise, including civil litigations, criminal prosecutions, arbitration proceedings, administrative proceedings, governmental proceedings, appeals, or enforcement proceedings. The Company is not subject to any order, direction, judgement, injunction, decree, waiver, declaration, exemption or notice granted or issued by any Governmental Authority.

11. Accuracy of Information

All documents and information provided to the Subscriber in relation to its evaluation of the transactions contemplated under this Agreement, are true and accurate, not misleading and complete.

PART C
FOUNDER WARRANTIES

Each of the Founders jointly and severally represents and warrants to the Subscriber as on Execution Date and Closing Date as follows:

1. He is competent to contract under Applicable Law and he has the requisite power and authority to execute this Agreement and perform his obligations under this Agreement the Transaction Documents and all other documents and instruments required to be executed pursuant thereto or in connection therewith.
2. This Agreement has been duly executed and delivered by him and constitutes his valid and legally binding obligation, enforceable against him in accordance with the terms hereof. The execution of this Agreement and/or consummation of any of his obligations under this Agreement will not conflict, be contrary to or violate any Applicable Law or agreement or license he is a party to or bound by.
3. He has obtained all applicable governmental, statutory, regulatory or other consents, approvals, licenses, waivers or exemptions required to empower it to enter into and to perform its obligations under this Agreement and the Transaction Documents;
4. He is lawfully entitled to his shareholding (as reflected in **Schedule 2**) and the shares held by him are not subject to any Encumbrance .
5. He is not subject to any obligation, agreement or commitment that affects his obligations under this Agreement.
6. He is solvent as per Applicable Law and there are no insolvency proceedings subsisting or threatened in writing of any character, including without limitation, any insolvency proceedings, receivership, composition or arrangement with creditors, voluntary or involuntary, affecting him.
7. None of the Founders are subject to or party to any current, pending legal proceedings or Claims pursuant to a written notice received by them or otherwise, including civil litigations, criminal prosecutions, arbitration proceedings, administrative proceedings, governmental proceedings, appeals, or enforcement proceedings. None of the Founders are subject to any order, direction, judgement, injunction, decree, waiver, declaration, exemption or notice granted or issued by any Governmental Authority.
8. He is a resident of India under the IT Act.
9. The proceeds used by the Founders for acquiring Equity Shares were obtained from legitimate sources.
10. The Founder, to the best of its knowledge, is in compliance with the provisions of the Prevention of Money Laundering Act, 2002.

SCHEDULE 4

FORMAT OF CP SATISFACTION CERTIFICATE

[Note: To be executed by the Company and Founders and sent to the Subscriber.]

[Insert Date]

To:
Bluestone Jewellery and Lifestyle Limited
[●]

Dear Sir,

Re: Share Subscription Agreement dated [●] (the “**Agreement**”) executed amongst Bluestone Jewellery and Lifestyle Limited (“**Subscriber**”) and Ethereal House Private Limited (“**Company**”) and the Founders.

This certificate is being issued pursuant to Clause 3.2 of the Agreement.

Capitalized terms and expressions used in this certificate but not defined herein shall have the meaning ascribed to them in the Agreement.

We hereby certify that each of the Conditions Precedent specified in the Agreement and as set out below, have been satisfied. Enclosed please find documents evidencing such compliance.

Sr. No.	Clause Reference	Conditions Precedent	Status/Confirmation
1.			
2.			
3.			
4.			

For and on behalf of the **Ethereal House Private Limited**

Authorized Signatory
Name: [insert name]

Signed by **Nitesh Jain**

Signed by **Sharad Arora**

Acknowledged

For and on behalf of Bluestone Jewellery and Lifestyle Limited

Authorized Signatory
Name: [*insert name*]

SCHEDULE 5

FORMAT OF CLOSING CERTIFICATE

[Note: To be executed by the Company and the Founders and sent to the Subscriber.]

[Insert Closing Date]

To:

Bluestone Jewellery and Lifestyle Limited

[●]

Re: Share Subscription Agreement dated [●] (the “**Agreement**”) executed amongst Bluestone Jewellery and Lifestyle Limited (“**Subscriber**”), Ethereal House Private Limited (“**Company**”) and the Founders.

Dear Sir,

This certificate is being issued pursuant to Clause 4.1 of the Agreement.

Capitalized terms and expressions used in this certificate but not defined herein shall have the meaning ascribed to them in the Agreement.

We, the Company and the Founders, hereby jointly and severally certify that:

- (a) The Warranties are true and correct and not misleading as on the date hereof.
- (b) There is no event or condition of any character that constitute a Material Adverse Effect as on the date hereof.
- (c) We have complied with the agreements, covenants and conditions required to be complied under the Agreement on the or before the date hereof.
- (d) There is no administrative, investigatory, judicial or arbitration proceedings seeking to enjoin or seek damages from the Company in connection with the allotment or issuance of the Subscription Shares, and there being no order, injunction, or other action issued, which involves a challenge or seeks to, or which prohibits, prevents, restrains, restricts, delays, makes illegal or otherwise interferes with the consummation of any of the Transaction.
- (e) All other Conditions Precedent continue to remain completed / satisfied (unless waived in writing) as set out in the CP Satisfaction Certificate.

For and on behalf of **Ethereal House Private Limited**

Authorized Signatory

Name: [insert name]

Signed by **Nitesh Jain**

Signed by **Sharad Arora**

For and on behalf of **Bluestone Jewellery and Lifestyle Limited**

Authorized Signatory

Name: [*insert name*]

IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

For and on behalf of Ethereal House Private Limited

Nitesh

Name: Nitesh Jain

Title: Director



[Intentionally left blank]

Signature Page to the Share Subscription Agreement executed by and amongst Bluestone Jewellery and Lifestyle Limited, Ethereal House Private Limited, Sharad Arora and Nitesh Jain.

IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

For and on behalf of Bluestone Jewellery and Lifestyle Limited



Name: Gaurav Singh Kushwaha
Title: Managing Director

[Intentionally left blank]

IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

Signed by Nitesh Jain

Nitesh

[Intentionally left blank]

IN WITNESS WHEREOF, each of the aforementioned Parties has signed and executed this Agreement, and all the original copies hereto, on the date first above written.

Signed by Sharad Arora



[Intentionally left blank]