

COMPOSITE SCHEME OF ARRANGEMENT

**UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100-104 OF THE COMPANIES ACT, 1956 AND
OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013**

BETWEEN

RELIANCE COMMUNICATIONS LIMITED

AND

RELIANCE TELECOM LIMITED

AND

AIRCEL LIMITED

AND

DISHNET WIRELESS LIMITED

AND

DECCAN DIGITAL NETWORKS PRIVATE LIMITED

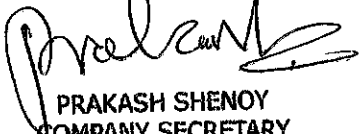
AND

SOUTH ASIA COMMUNICATIONS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**CERTIFIED TRUE COPY
FOR RELIANCE COMMUNICATIONS LIMITED**


**PRAKASH SHENOY
COMPANY SECRETARY**

A. BACKGROUND OF THE COMPANIES

- (i) Reliance Communications Limited, the "**Demerged Company 1**", is a public listed company incorporated under the Companies Act, 1956 under the corporate identity number L45309MH2004PLC147531. The Demerged Company 1 is engaged, *inter alia*, in the business of providing telecom services, covering mobile and fixed line telephony, including broadband, national and international long distance services and data services along with an exhaustive range of value added services and applications, data centre services.
- (ii) Reliance Telecom Limited, the "**Demerged Company 2**", is a public company incorporated under the Companies Act, 1956 under the corporate identity number U32100MH1994PLC162841. The Demerged Company 2 is engaged, *inter alia*, in the business of providing telecom services, covering mobile and fixed line telephony, including broadband, national and international long distance services and data services along with an exhaustive range of value added services and applications, data centre services.
- (iii) Deccan Digital Networks Private Limited, the "**Transferor Company 1**", is a private company incorporated under the Companies Act, 1956 under the corporate identity number U64202DL2006PTC144852. The Transferor Company 1 is a shareholder of the Resulting Company 1.
- (iv) South Asia Communications Private Limited, the "**Transferor Company 2**", is a private company incorporated under the Companies Act, 1956 under the corporate identity number U72900DL2006PTC146401. The Transferor Company 2 is a shareholder of the Transferor Company 1.
- (v) Aircel Limited, the "**Resulting Company 1**" or "**Transferee Company**", is a public company incorporated under the Companies Act, 1956 under the corporate identity number U32201MH1994PLC284030. The Resulting Company 1 is engaged, *inter alia*, in the business of providing telecom services, covering mobile and fixed line telephony, including broadband, national and international long distance services and data services along with an exhaustive range of value added services and applications, data centre services.
- (vi) Dishnet Wireless Limited, the "**Resulting Company 2**", is a public company incorporated under the Companies Act, 1956 under the corporate identity number U74999MH1998PLC283931. The Resulting Company 2 is engaged, *inter alia*, in the business of providing telecom services, covering mobile and fixed line telephony, including broadband, national and international long distance services and data services along with an exhaustive range of value added services and applications, data centre services.

B. RATIONALE FOR THIS SCHEME

The demerger and vesting of the Demerged Undertakings (*defined hereinafter*) of the Demerged Companies (*defined hereinafter*) to the Resulting Companies (*defined hereinafter*) pursuant to this Scheme shall, *inter alia*, result in following benefits:

- (i) consolidation of the wireless telecom business of the Demerged Companies with the Resulting Companies provides an opportunity to the Demerged Company 1 to acquire equity interest in the Resulting Company 1;

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- (ii) further expanding the business of the Resulting Companies into growing markets of India, thereby creating greater value for the shareholders of the Resulting Companies;
- (iii) availability of increased resources and assets which can be utilised for strengthening the customer base of the Resulting Companies (including the customer base of the Demerged Companies) and servicing existing as well as new customers of the Resulting Companies innovatively and efficiently;
- (iv) augmenting the infrastructural capability of the Resulting Companies to effectively meet future challenges in the ever-evolving wireless telecom business;
- (v) the combination of the Demerged Undertakings and the Resulting Companies is a strategic fit for serving existing market and for catering to additional volume linked to new consumers;
- (vi) synergies in operational process and logistics alignment leading to economies of scale for the Resulting Companies and creation of efficiencies and benefitting customers as well as optimization of operation and capital expenditure;
- (vii) assisting the Resulting Companies and the Demerged Companies in strengthening their assets base while also enhancing their financial flexibility;
- (viii) enhance competitive strength, achieve cost reduction, efficiencies and productivity gains by pooling the financial, managerial and technical resources, personnel capabilities, skills, expertise and technologies of the Resulting Companies and the Demerged Companies thereby significantly contributing to future growth and maximizing shareholders value;
- (ix) reducing the direct and indirect foreign shareholding in the Resulting Company 1; and
- (x) to achieve an optimal capital structure which duly represents the intrinsic value of the Resulting Company 1, through a capital reorganization exercise which will also involve conversion of the Resulting Company 1 Shareholders Loans (as defined hereinafter) which are in the nature of long term shareholder funding for the Resulting Company 1 into equity shares and thereby strengthening the balance sheet of the Resulting Companies for future growth and expansion and to create a capital structure which is geared to take advantage of possible growth opportunities.

The amalgamation of the Transferor Companies (*defined hereinafter*) with the Transferee Company pursuant to this Scheme will simplify and streamline the ownership structure of the Resulting Company 1. The proposed restructuring between the Transferor Companies and the Transferee Company is in the interest of the shareholders, creditors, employees and other stakeholders, of each of the companies, as it would enable a focused business approach for the maximization of benefits to all stakeholders.

C. OVERVIEW AND OPERATION OF THIS SCHEME

- (i) This Scheme provides for:
 - (a) the demerger, transfer and vesting of the Demerged Undertakings from the Demerged Companies to the Resulting Companies on a going concern basis, and the consequent issue of shares by the Resulting Company 1 to the Demerged Company 1, in accordance with the provisions of Sections 391 to 394 of the Act (*as defined hereinafter*) and other applicable provisions of law;



- (b) the amalgamation of the Transferor Companies into the Transferee Company/Resulting Company 1, and the consequent issue of shares by the Resulting Company 1 to the shareholders of the Transferor Companies, in the manner set out in this Scheme and in accordance with the provisions of Sections 391 to 394 of the Act and other applicable provisions of law;
- (c) the reorganisation and reduction of the share capital of the Resulting Company 1 by converting the Resulting Company 1 RPS (*as defined hereinafter*) into equity shares of the Resulting Company 1 and thereafter reducing the paid up share capital of the Resulting Company 1 in the manner set out in this Scheme and in accordance with Sections 100 to 103 and Sections 391 to 394 of the Act;
- (d) the conversion of the Resulting Company 1 Shareholder Loans (*as defined hereinafter*) into equity shares of the Resulting Company 1 and thereafter reducing the paid up share capital of the Resulting Company 1 in the manner set out in this Scheme and in accordance with Sections 100 to 103 and Sections 391 to 394 of the Act; and
- (e) the reduction of the preference share capital of the Transferor Company 1 in the manner set out in this Scheme and in accordance with the provisions of Sections 100 to 103 and Sections 391 to 394 of the Act and other applicable provisions of Applicable Law.

D. The Demerged Companies will continue to pursue their interests in the Remaining Business (*as defined hereinafter*) as is presently being carried out.

E. PARTS OF THIS SCHEME

This Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions of capitalized terms used in this Scheme and the share capital of the Demerged Companies, the Transferor Companies and the Resulting Companies;
- (ii) **PART II** deals with the transfer and vesting of the Demerged Undertakings from the Demerged Companies into the Resulting Companies, the manner of vesting of the Demerged Undertakings and the consideration thereof;
- (iii) **PART III** deals with the amalgamation of the Transferor Companies with the Transferee Company and the consideration thereof;
- (iv) **PART IV** deals with the conversion of the Resulting Company 1 RPS (*defined hereinafter*) into equity shares and the subsequent reduction and cancellation of such equity shares;
- (v) **PART V** deals with the conversion of the Resulting Company 1 Shareholder Loans (*defined hereinafter*) into equity shares and the subsequent reduction and cancellation of a part of such equity shares;
- (vi) **PART VI** deals with the reduction and cancellation of the Transferor Company 1 RPS; and
- (vii) **PART VII** deals with the general terms and conditions that would be applicable to this Scheme.



PART I
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

"Act" means the Companies Act, 2013 to the extent of the provisions notified and the Companies Act, 1956 to the extent of its provisions in force and shall include any other statutory amendment or re-enactment or restatement and the rules and/or regulations and/or other guidelines or notifications under Applicable Laws, made thereunder from time to time;

"Affiliate" of a specified Person, means a Person that directly or indirectly Controls, is directly or indirectly Controlled by, or is, directly or indirectly, under common Control with, such specified Person;

"Appointed Date" means the Effective Date;

"Applicable Law" means any applicable national, foreign, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties and shall include, without limitation, the listing agreement executed with the Stock Exchanges in the case of Demerged Company 1.

"Appropriate Authority" means:

- (i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;
- (ii) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
- (iii) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority; and
- (iv) any Stock Exchange.

"Board" in relation to each of the Transferor Companies, the Demerged Companies and the Resulting Companies, as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by the Board or such committee of directors duly constituted and authorized for the purposes of matters pertaining to the amalgamation, this Scheme and/or any other matter relating thereto.

"Business Day" means a day (other than a Saturday, a Sunday or a public holiday) when commercial banks are open for ordinary banking business in Mumbai, India and Kuala Lumpur, Malaysia, in the context of a payment being made to or from a scheduled commercial bank in a place other than Mumbai, India or Kuala Lumpur, Malaysia, in such other place;



"Cash/ Cash Equivalent" shall mean the cash or cash equivalent to be contributed by the Demerged Companies to the Demerged Undertakings on or prior to the Effective Date and shall be determined in the following manner:

- (a) if the Demerged Company 1 Qualifying Capex is equal to or greater than INR 13,000,000,000 then Cash/ Cash Equivalent to be contributed shall be an amount equal to INR 19,500,000,000 MINUS INR 13,000,000,000 MINUS the amount of Qualifying Deferred Spectrum Payments; or
- (b) if the Demerged Company 1 Qualifying Capex is less than INR 13,000,000,000 then Cash/ Cash Equivalent to be contributed shall be equal to INR 19,500,000,000 MINUS such amount of Demerged Company 1 Qualifying Capex MINUS the amount of Qualifying Deferred Spectrum Payments.

"Control" of a specified Person means the direct or indirect power to direct, or cause the direction of, the management or policies of the specified Person, through the ownership of shares, by contract or otherwise. A Person will be deemed to Control such a specified Person if: (a) that Person has the direct or indirect power: (i) to exercise or cause the exercise of more than 50% of the voting rights (or equivalent) in respect of the specified Person; or (ii) to appoint or cause the appointment of more than half of the board of directors or similar governing body of the specified Person; or (b) the specified Person is a limited partnership and the Person is the general partner or manager of that limited partnership and the terms "Controlled by" and "under common Control with" shall be construed accordingly.

"CDMA" means Code Division Multiple Access;

"CDMA Business" means the wireless communication business of the Demerged Companies comprising both voice and data services utilising administratively allocated spectrum in the 850 MHz band based on the CDMA protocol and/or CDMA 2000, 1XRTT and HSIA technologies, and includes the CDMA business acquired by the Demerged Company 1 under the SSTL Scheme;

"Demerged Carved Out Undertaking" means the wireless telecom business undertaking of Demerged Company 2 that is proposed to be demerged and transferred to Demerged Company 1 pursuant to the Demerged Companies' Scheme, conducted in Madhya Pradesh (including Chhattisgarh), West Bengal, Bihar (including Jharkhand), Himachal Pradesh and Orissa comprising solely and exclusively of: (i) the Identified Assets 3 Carved Out; (ii) the Identified Liabilities 3 Carved Out; and (iii) the Identified Litigations as they relate to such business, together with: (i) all contracts relating to the Demerged Undertaking 3, but excluding at all times: (a) any contracts between Demerged Company 1 and/ or Demerged Company 2, on the one hand, and Reliance Infratel Limited or a member of the RCOM Group, on the other hand, to the extent they do not relate to the RCOM Specified Circles Sites; (b) any master service agreements and tower tenancy agreements to the extent they do not relate to the Transferred Tenancy Agreements relating to the sites identified in the Merger Agreement; and (c) any TS Contracts; and (ii) Transferred Employees relating to Demerged Carved Out Undertaking;

"Demerged Companies" means collectively, the Demerged Company 1 and the Demerged Company 2;

"Demerged Company 1" means Reliance Communications Limited, a public listed company incorporated under the Act under the corporate identity number L45309MH2004PLC147531 and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, India;

"Demerged Company 1 Additional Value" shall mean the aggregate of Demerged Company 1 Qualifying Capex, Cash/ Cash Equivalent and Qualifying Deferred Spectrum Payments;

"Demerged Company 1 Qualifying Capex" shall have the meaning ascribed to it in the Merger Agreement;

"Demerged Company 2" means Reliance Telecom Limited, a public company incorporated under the Act under the corporate identity number U32100MH1994PLC162841 and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, India;

"Demerged Company Material Adverse Change" means RCOM Material Adverse Change;

"Demerged Companies' Scheme" means the scheme of arrangement between the Demerged Company 1 and the Demerged Company 2 pursuant to the provisions of the Act for the demerger and transfer of the Demerged Carved Out Undertaking from the Demerged Company 2 to the Demerged Company 1 as approved by their respective Boards on 24 June 2016 and notified to the Stock Exchange on 24 June 2016;

"Demerged Undertakings" means collectively, the Demerged Undertaking 1, the Demerged Undertaking 2 and the Demerged Undertaking 3, including for the avoidance of doubt Demerged Company 1 Qualifying Capex, Qualifying Deferred Spectrum Payments and Cash/Cash Equivalent;

"Demerged Undertaking 1" means the wireless telecom business undertaking of the Demerged Company 1 as carried on at the Appointed Date (or where this Scheme requires otherwise, the relevant date of determination), conducted in Andhra Pradesh, Delhi, Gujarat, Karnataka, Maharashtra, Mumbai, Rajasthan and Tamil Nadu telecom circles, comprising solely and exclusively of: (i) the Identified Assets 1; (ii) the Identified Liabilities 1 and including the RCOM Assumed Debt; (iii) the RCOM Completion Cash Amount; and (iv) the shares in New Holdco and indirectly the shares of the Transferred Subsidiaries, together with: (i) all contracts relating to the Demerged Undertaking 1, but excluding at all times: (a) any contracts between Demerged Company 1 and/ or Demerged Company 2, on the one hand, and Reliance Infratel Limited or a member of the RCOM Group, on the other hand, to the extent they do not relate to the RCOM Specified Circles Sites; (b) any master service agreements and tower tenancy agreements to the extent they do not relate to the Transferred Tenancy Agreements relating to the sites identified in the Merger Agreement; and (c) any TS Contracts, (ii) the relevant Transferred Employees; (iii) the Identified IPR relating to the Demerged Undertaking 1; and (iv) in addition to other assets that are part of Demerged Undertaking 1 and to the extent not part of Demerged Undertaking 2, 1200 Huawei 1200 MHz Base Trans Receiver Stations. On and from the date on which the SSTL Scheme becomes effective, the Demerged Undertaking 1 shall also include the SSTL Business 1;

"Demerged Undertaking 2" means the wireless telecom business undertaking of the Demerged Company 1 as carried on at the Appointed Date (or where this Scheme requires otherwise, the relevant date of determination), conducted in Bihar (including Jharkhand), Haryana, Himachal Pradesh, Jammu and Kashmir, Kerala, Kolkata, Madhya Pradesh (including Chhattisgarh), Orissa, Punjab, Uttar Pradesh (East), Uttar Pradesh (West) and West Bengal telecom circles comprising solely and exclusively of: (i) the Identified Assets 2; (ii) the Identified Liabilities 2; together with: (i) all contracts relating to the Demerged Undertaking 2, but excluding at all times: (a) any contracts between the Demerged Company 1 and/ or the Demerged Company 2, on the one hand, and Reliance Infratel Limited or a member of the RCOM Group, on the other hand, to the extent they do not relate to the RCOM Specified Circles Sites; (b) any master service agreements and tower tenancy agreements to the extent they do not relate to the Transferred Tenancy Agreements relating to the sites identified in



the Merger Agreement; and (c) any TS Contracts; (ii) the relevant Transferred Employees relating to Demerged Undertaking 2; and (iii) in addition to other assets that are part of Demerged Undertaking 1 and to the extent not part of Demerged Undertaking 2, 1200 Huawei 1200 MHz Base Trans Receiver Stations. On and from the date on which (i) the SSTL Scheme becomes effective, the Demerged Undertaking 2 shall also include the SSTL Business 2; and (ii) the Demerged Companies' Scheme becomes effective, the Demerged Undertaking 2 shall also include the Demerged Carved Out Undertaking;

"Demerged Undertaking 3" means the wireless telecom business undertaking of Demerged Company 2 as carried on at the Appointed Date (or where this Scheme requires otherwise, the relevant date of determination), conducted in Kolkata, Madhya Pradesh (including Chhattisgarh), West Bengal, Assam, Bihar (including Jharkhand), Himachal Pradesh, North East and Orissa telecom circles comprising solely and exclusively of: (i) the Identified Assets 3; and (ii) the Identified Liabilities 3; together with: (i) all contracts relating to the Demerged Undertaking 3, but excluding at all times: (a) any contracts between Demerged Company 1 and/ or Demerged Company 2, on the one hand, and Reliance Infratel Limited or a member of the RCOM Group, on the other hand, to the extent they do not relate to the RCOM Specified Circles Sites; (b) any master service agreements and tower tenancy agreements to the extent they do not relate to the Transferred Tenancy Agreements relating to the sites identified in the Merger Agreement; and (c) any TS Contracts; (ii) Transferred Employees and IPR relating to the Demerged Undertaking 3. Provided that upon the Demerged Companies Scheme coming into effect, the Demerged Undertaking 3 shall exclude the Demerged Carved Out Undertaking;

"DoT" means the Department of Telecommunications of the Ministry of Communications and Information Technology, Government of India, or any predecessor or successor body;

"Effective Date" means the day on which all of the conditions specified in Clause 42 (Conditions Precedent) of this Scheme are complied with;

"Encumbrance" means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, Transfer, receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term **"Encumber"** shall be construed accordingly;

"Excluded Assets" means any asset of the Demerged Companies, the New Holdco or the Transferred Subsidiaries which is not an Identified Asset, and, for the avoidance of doubt, shall include: (a) all assets relating to the CDMA Business; (b) any CENVAT credit acquired by Demerged Company 1 from SSTL under the SSTL Scheme; and (c) any IT related assets not specifically included in "SSTL Assets", and acquired by Demerged Company 1 from SSTL under the SSTL Scheme;

"Excluded Employees" means all employees of the Demerged Companies, that are not Transferred Employees;

"Excluded IPR" means IPR other than Identified IPR;

"Excluded Liabilities" means:

- (a) any and all liabilities relating to the Excluded Assets (including for the avoidance of doubt costs arising from the termination of the CDMA Business), Excluded Employees, Excluded IPR or Excluded Litigations;



- (b) any obligation or liability not predominantly relating to the Demerged Undertakings;
- (c) any and all RCOM Direct Tax Liabilities;
- (d) any and all RCOM Excluded Regulatory Liabilities;
- (e) any and all RCOM Excluded Indirect Tax Liabilities;
- (f) any and all RCOM Excluded Third Party Liabilities;
- (g) any liabilities of the Demerged Companies to Reliance Infratel Limited, any of their respective shareholders or any of their respective Affiliates;
- (h) any and all liabilities arising as a result of surrender of 900 MHz 2G spectrum in the circles of Assam, North East, Bihar, West Bengal and Orissa and the resulting shutdown and/or exit from certain towers, including any site tenancy lease termination costs;
- (i) any and all liabilities arising as a result of the bank guarantee provided by Axis or any other bank guarantee relating to the Option Agreements, save and except the bank guarantee to DoT relating to OTSC that is required to be replaced by the bank guarantee to be given by Aircel to DoT as per applicable DoT guidelines;
- (j) any liability of SSTL relating to IP Colo penalties;
- (k) any liabilities of the Demerged Company 1 pursuant to an earn out deed dated 2 November 2015 between Demerged Company 1, SSTL and STA Capital LLC;
- (l) any IT related liabilities or other liabilities not specifically included in "SSTL Liabilities" acquired by the Demerged Company 1 from SSTL under the SSTL Scheme;

"Excluded Litigations" means all actions and legal proceedings involving any member of the Demerged Companies, New HoldCo or any Transferred Subsidiary other than the Identified Litigations;

"GAAP" means the accounting standards and principles as applicable in India and as issued by the Ministry of Corporate Affairs, Government of India ("**Notified Accounting Standards**") and in effect as of the Effective Date and where there is no specific guidance given by the Notified Accounting Standards, guidance given in any pronouncement issued by the Institute of Chartered Accountants of India;

"GCSHL" means Global Communication Services Holding Limited, a company incorporated under the laws of Mauritius, with registration number BRN C14014292, and having its registered offices at c/o AXIS Fiduciary Limited, 2nd Floor, The AXIS, 26 Cybercity, Ebene 72201, Republic of Mauritius;

"High Court" means the High Court(s) having jurisdiction over the Transferor Companies, the Demerged Companies and the Resulting Companies, as the case may be and shall include the relative bench of the National Company Law Tribunal having jurisdiction over them;

"Identified IPR" means the IPR listed as part of the Identified Assets in the Merger Agreement and on and from the date on which the SSTL Scheme becomes effective, shall also include the IPR acquired from SSTL in accordance with the SSTL Scheme;



"Identified Assets" means collectively, Identified Assets 1, Identified Assets 2 and Identified Assets 3;

"Identified Assets 1" means the assets of the Demerged Company 1 that form part of the Demerged Undertaking 1, and are to be transferred by Demerged Company 1 to the Resulting Company 1 pursuant to this Scheme, including but not limited to the categories of which are set out in **Part A of Part 1 of Schedule 1**, and shall on and from the date on which the SSTL Scheme becomes effective, the Identified Assets 1 shall also include the SSTL Assets pertaining to Demerged Undertaking 1. For the avoidance of doubt, any 2016 Spectrum acquired by Demerged Company 1 or any member of the RCOM Group in relation to telecom circles forming part of Demerged Undertaking 1 shall be an Identified Assets 1;

"Identified Assets 2" means the assets of Demerged Company 1 that form part of the Demerged Undertaking 2, and are to be transferred by Demerged Company 2 to the Resulting Company 2 pursuant to this Scheme, including but not limited to the categories of which are set out in **Part B of Part 1 of Schedule 1**. For the avoidance of doubt, any 2016 Spectrum acquired by Demerged Company 1 or any member of the RCOM Group in relation to telecom circles forming part of Demerged Undertaking 2 shall be an Identified Assets 2. On and from the date on which: (a) the SSTL Scheme becomes effective, the Identified Assets 2 shall also include the SSTL Assets pertaining to Demerged Undertaking 2; and (b) the Demerged Companies Scheme becomes effective, the Identified Assets 2 shall also include the Identified Assets 3 Carved Out;

"Identified Assets 3" means the assets of Demerged Company 2 that form part of the Demerged Undertaking 3, and are to be transferred by Demerged Company 2 to the Resulting Company 2 pursuant to this Scheme, including but not limited to the categories of which are set out in **Part C of Part 1 of Schedule 1**. For the avoidance of doubt, any 2016 Spectrum acquired by Demerged Company 2 or any member of the RCOM Group in relation to telecom circles forming part of Demerged Undertaking 3 shall be an Identified Assets 3. Provided that upon the Demerged Companies Scheme coming into effect, Identified Assets 3 shall exclude Identified Asset 3 Carved Out. On and from the date on which the SSTL Scheme becomes effective, the Identified Assets 2 shall also include the SSTL Assets pertaining to Demerged Undertaking 2;

"Identified Assets 3 Carved Out" means the assets of the Demerged Company 2 that are to be transferred to Demerged Company 1 pursuant to the Demerged Companies' Scheme that set out in **Part D of Part 1 of Schedule 1**;

"Identified Liabilities" means collectively, Identified Liabilities 1, Identified Liabilities 2 and Identified Liabilities 3;

"Identified Liabilities 1" means the obligations and liabilities of the Demerged Company 1 that form part of the Demerged Undertaking 1 and are to be novated to or assumed by the Resulting Company 1, pursuant to this Scheme, including but not limited to the categories of which are set out in **Part A of Part 2 of Schedule 1**, and shall: (i) on and from the date on which the SSTL Scheme becomes effective, include the SSTL Liabilities pertaining to Demerged Undertaking 1; and (ii) include deferred Spectrum liabilities in respect of the 2016 spectrum acquired by Demerged Company 1 or any member of the RCOM Group in relation to telecom circles forming part of Demerged Undertaking 1, if any;

"Identified Liabilities 2" means the obligations and liabilities of the Demerged Company 1 that form part of the Demerged Undertaking 2 and are to be novated to or assumed by the

Resulting Company 2, pursuant to this Scheme, including but not limited to the categories of which are set out in **Part B of Part 2 of Schedule 1**, and shall: (i) on and from the date on which the SSTL Scheme becomes effective, include the SSTL Liabilities pertaining to Demerged Undertaking 2; and (ii) include deferred Spectrum liabilities in respect of the 2016 spectrum acquired by Demerged Company 1 or any member of the RCOM Group in relation to telecom circles forming part of Demerged Undertaking 2, if any;

"Identified Liabilities 3" means the obligations and liabilities of the Demerged Company 2 that form part of the Demerged Undertaking 3 and are to be novated to or assumed by the Resulting Company 2, pursuant to this Scheme, including but not limited to the categories of which are set out in **Part C of Part 2 of Schedule 1**, and shall: (i) on and from the date on which the SSTL Scheme becomes effective, include the SSTL Liabilities pertaining to Demerged Undertaking 3; and (ii) include deferred Spectrum liabilities in respect of the 2016 spectrum acquired by Demerged Company 2 or any member of the RCOM Group in relation to telecom circles forming part of Demerged Undertaking 3, if any;

"Identified Liabilities 3 Carved out" means the obligations and liabilities of the Demerged Company 2 that form part of the Demerged Carved Out Undertaking and are to be novated to or assumed by the Demerged Company 1, pursuant to this Demerged Companies Scheme, including but not limited to the categories of which are set out in **Part D of Part 2 of Schedule 1**;

"Identified Litigations" means any and all actions, arbitrations, litigations, proceedings, demands, enquiries, notices and claims in relation to the Demerged Undertakings as identified pursuant to the Merger Agreement;

"Indebtedness" means any of the following: (a) any indebtedness for borrowed money, (b) any obligation evidenced by bonds, debentures, notes or other similar instruments, except trade accounts payable and other current liabilities arising in the Ordinary Course of Business, (c) any guarantee of any of the foregoing, in each case, that has a term of 12 months or more and is capable of being repaid or discharged, and (d) to the extent reflected in the current liabilities section of a Party's accounts, the current portion of any of the indebtedness listed in sub-paragraphs (a), (b) or (c) above;

"INR" means Indian Rupee, the lawful currency of the Republic of India;

"IPR" means all inventions (whether patentable or not), patents, utility models, petty patents, registered designs, design rights, database rights, copyright and related rights, moral rights, semiconductor topography rights, plant variety rights, service marks, logos, get up, trade names, business names, domain names, trademarks (in each case whether registered or unregistered) and including any applications for registration and any renewals or extensions of any of the foregoing, and, in each case, the goodwill attaching to any of the foregoing, rights to sue for passing off or for unfair competition, and any rights or forms of protection of a similar nature or having equivalent or similar effect to any of them which subsist anywhere in the world;

"Liberalisation Costs" shall mean the liberalisation fee that will be payable at or immediately prior to the Effective Date in accordance with the "Guidelines for Liberalisation of Administratively Allocated Spectrum" in the 800 MHz band and the 1800 MHz band dated 5 November 2015, issued by the DoT, and in satisfaction of the Condition Precedent set out in Clause 42.1.5;



"Merger Agreement" means the framework merger agreement dated 14 September 2016, entered into between the Demerged Companies, the Resulting Companies, Transferor Company 1, Transferor Company 2, GCSHL, SSIPL, the Transferred Subsidiaries and the New HoldCo;

"New HoldCo" means Aircom Holdco B.V., a company incorporated in the Netherlands with establishment number (vestigingsnummer) 000035108371 and its registered office (Bezoekadres) at Haaksbergweg 71, 1101BR Amsterdam, the Netherlands;

"New Holdco Reorganisation" means the internal reorganisation to be undertaken by the Demerged Company 1 and its relevant subsidiaries before the Effective Date in such manner as may be agreed in writing between GCSHL and the Demerged Company 1 so that: (a) the shares in the Transferred Subsidiaries are held by the New Holdco immediately before the Effective Date; (b) the shares in New Holdco are held by Demerged Company 1 immediately before the Effective Date; and (c) any Excluded Assets previously held by the Transferred Subsidiaries (if any) are not, immediately before the Effective Date, owned or held by such Transferred Subsidiaries;

"Parties" shall mean collectively the Resulting Companies, the Demerged Companies, GCSHL, the Transferor Companies, SSIPL, the Transferred Subsidiaries and New Holdco, and **"Party"** shall mean each of them, individually;

"Permits" means all consents, licences, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory under Applicable Law;

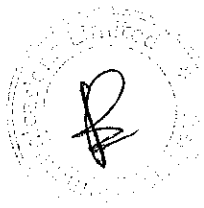
"Qualifying Deferred Spectrum Payments" means the instalments paid to the DoT by the Demerged Companies or Resulting Company 1, as the case may be, during the period specified in the Merger Agreement, in respect of the spectrum for which notices inviting applications were issued in 2013 and 2014;

"RCOM Assumed Debt" means, as at the Effective Date, Indebtedness of Demerged Company 1 identified in accordance with the Merger Agreement, which Indebtedness, together with accrued interest, any break fees, repayment costs and other charges with respect to the discharge of such Indebtedness, would be discharged in full by the payment to the relevant creditors at Effective Date of: (a) INR 140,000,000,000 (Indian Rupees One hundred and forty Billion); or (b) such amount lower than 140,000,000,000 (Indian Rupees One hundred and forty Billion) as Demerged Company 1 may elect and notify to Resulting Company in accordance with the Merger Agreement. The RCOM Assumed Debt shall form part of the Demerged Undertaking 1;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"Remaining Business" means all the business, units, divisions, and their respective assets and liabilities including, Excluded Assets, Excluded Employees, Excluded IPR, Excluded Liabilities and Excluded Litigation of the Demerged Companies, other than those forming part of the Demerged Undertakings;

"Resulting Companies" means collectively, the Resulting Company 1 and the Resulting Company 2;



"Resulting Company 1" or "Transferee Company" means Aircel Limited, a company incorporated in under the Companies Act, 1956 under the corporate identity number U32201MH1994PLC284030, having its registered office at Opus Centre, 47 Central Road, Opp. Tunga Paradise, MIDC, Andheri (E), Mumbai, Maharashtra - 400093;

"Resulting Company 2" means Dishnet Wireless Limited, a company incorporated in under the Companies Act, 1956 under the corporate identity number U74999MH1998PLC283931 having its registered office at Opus Centre, 47 Central Road, Opp. Tunga Paradise, MIDC, Andheri (E), Mumbai, Maharashtra - 400093;

"Resulting Company Material Adverse Change" means an Aircel Material Adverse Change;

"Resulting Company 1 RPS" means INR 80,915,272,000 (Indian Rupees eighty billion nine hundred fifteen million and two hundred seventy two thousand) redeemable cumulative non-convertible preference shares of face value INR 10, issued by the Resulting Company 1 to GCSHL.

"Resulting Company 1 Shareholder Loans" means shareholder debts of the Resulting Company 1, aggregating to INR 262,540,468,625 (Indian Rupees two hundred sixty two billion five hundred forty million four hundred sixty eight thousand and six hundred twenty five) and shall include: (a) a book debt of INR 229,370,968,625 (Indian Rupees two hundred twenty nine billion three hundred seventy million nine hundred sixty eight thousand and six hundred twenty five), or such other amount of book debt that may exist on the Effective Date in the records of the Resulting Company 1; and (b) Indian Rupee denominated bonds aggregating to INR 33,169,500,000 (Indian Rupees thirty three billion one hundred sixty nine million and five hundred thousand), or such other amount of Indian Rupee denominated bonds, issued by the Resulting Company 1 as of the Effective Date; and shall include any interest or coupons payable in respect of such debts;

"Resulting Company 1 SHL Lenders" means the lenders to whom the Resulting Company 1 Shareholder Loans are owed as on the Effective Date;

"RPS Converted Equity Shares" means 8,091,527,200 (eight billion ninety one million five hundred twenty seven thousand two hundred) fully paid up equity shares of INR 10 each of the Resulting Company 1 issued and allotted as provided in Clause 30.1;

"RoC" means the relevant Registrar of Companies;

"Scheme" means this Scheme of Arrangement, with or without any modification approved or imposed or directed by the High Court;

"SEBI" means the Securities and Exchange Board of India;

"SHL Converted Equity Shares" means 26,254,046,862 (twenty six billion two hundred and fifty four million forty six thousand eight hundred sixty two) fully paid up equity shares of INR 10 each of the Resulting Company 1 issued and allotted as provided in Clause 33.1;

"Stock Exchanges" means BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") where the shares of the Demerged Company 1 are listed;

"SSIPL" means Sindya Securities & Investments Private Limited, a private limited company incorporated under the laws of India, with corporate identity number U67120TN2006PTC058605 and having its registered office at 5th Floor, Lakshmi Bhawan No.



609, Mount Road, Chennai Tamil Nadu 600006, Republic of India;

"SSTL" means Sistema Shyam Teleservices Limited, a company incorporated under the laws of India having corporate identification number U64201RJ1995PLC017779 with its registered office at MTS Tower, Amrapali Circle, Vaishali Nagar, Jaipur 302 021, Rajasthan, India;

"SSTL Assets" means the spectrum held by SSTL that forms part of the SSTL Business and acquired by Demerged Company 1, and the microwave supporting frequencies and their associated NMS, software and licences being allocated or transferred to Demerged Company 1 on and from the date on which the SSTL Scheme becomes effective, excluding for the avoidance of doubt, any site tenancy agreements and any other assets of SSTL that exclusively form part of the SSTL CDMA Business;

"SSTL Business" means collectively the SSTL Business 1 and the SSTL Business 2;

"SSTL Business 1" means the wireless telecom business undertaking of Demerged Company 1 comprising of SSTL Assets and SSTL Liabilities to be acquired by Demerged Company 1 from SSTL pursuant to the SSTL Scheme, conducted in Delhi, Gujarat, Karnataka, Rajasthan and Tamil Nadu telecom circles, together with the relevant contracts and SSTL Employees pertaining to those telecom circles, and all SSTL IPR;

"SSTL Business 2" means the wireless telecom business undertaking comprising of SSTL Assets and SSTL Liabilities to be acquired by Demerged Company 1 from SSTL pursuant to the SSTL Scheme, conducted in Kerala, Kolkata, Uttar Pradesh (West) and West Bengal telecom circles, together with the relevant contracts and SSTL Employees pertaining to those telecom circles;

"SSTL CDMA Business" means the Code Division Multiple Access business acquired by Demerged Companies under the SSTL Scheme;

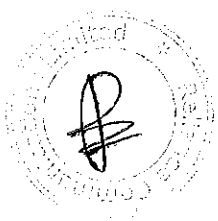
"SSTL Employees" means the employees to be transferred to Demerged Company 1 pursuant to the SSTL Scheme, excluding for the avoidance of doubt any employees working exclusively in the CDMA Business;

"SSTL IPR" means the IPR listed as part of the SSTL Assets in the SSTL Scheme and transferred to Demerged Company by SSTL on the date on which the SSTL Scheme becomes effective in accordance with the SSTL Scheme;

"SSTL Scheme" means the scheme of arrangement entered into between the Demerged Company 1, SSTL and their respective shareholders and creditors, approved by their respective board of directors on 2 November 2015;

"SSTL Liabilities" means the liabilities of SSTL relating to the SSTL Assets and to be acquired by Demerged Company 1 on the date on which the SSTL Scheme becomes effective, excluding for the avoidance of doubt any liabilities relating to the SSTL CDMA Business;

"Taxation" or "Tax" means all forms of taxation and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whenever and wherever imposed and whether chargeable directly or primarily against or attributable directly or primarily to Demerged Company 1 or Demerged Company 2 or any other Person and all penalties, charges, costs and interest relating thereto;



"Transfer" means to transfer, sell, convey, assign, pledge, hypothecate, create a security interest in or Encumbrance on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any Encumbrance or dispose of, whether or not voluntarily, and **"Transferring"** and **"Transferred"** have corresponding meanings

"Transferred Employees" means all employees of the Demerged Companies engaged in the Demerged Undertakings that will be transferred pursuant to this Scheme;

"Transferred Subsidiaries" shall mean collectively, Reliance Communication Inc., Reliance Communication International Inc., Reliance Communications Canada Inc., Reliance Communications (Hong Kong) Limited and Reliance Communications (UK) Limited.

"Transferred Subsidiary" shall mean any one of the Transferred Subsidiaries;

"Transferor Companies" means collectively the Transferor Company 1 and the Transferor Company 2;

"Transferor Company 1" means Deccan Digital Networks Private Limited, a private company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. U64202DL2006PTC144852 and having its registered office at 13, Abul Fazal Road, Bengali Market, New Delhi – 110001, India;

"Transferor Company 2" means South Asia Communications Private Limited, a private company, limited by shares, incorporated under the provisions of the Companies Act 1956, under Corporate Identity No. U72900DL2006PTC146401 and having its registered office at 13 Abul Fazal Road, Bengali Market New Delhi;

"Transferor Company 1 RPS" means 1,644,594,517 (one billion six hundred forty four million five hundred ninety four thousand five hundred and seventeen) redeemable cumulative non-convertible preference shares of face value INR 10 each issued to Transferor Company 2 by Transferor Company 1;

"Transferor Undertaking 1" means the Undertaking belonging to Transferor Company 1;

"Transferor Undertaking 2" means the Undertaking belonging to Transferor Company 2;

"TS Contract" means all contracts of New Holdco or the Transferred Subsidiaries in existence at Completion that relate exclusively to the Demerged Undertakings, but to which no member of the RCOM Group (other than New Holdco and/or one or more Transferred Subsidiaries) is a party;

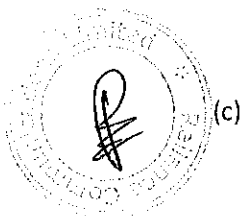
"Undertaking" shall mean and include the entire business, all the undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wheresoever situated, of the Transferor Company 1 or the Transferor Company 2, as the case may be, on a going concern basis, together with all its assets and liabilities and shall include (without limitation), but to the extent applicable:

- (a) All the assets and properties (whether movable or immovable, tangible or intangible, in possession or reversion, corporeal or incorporeal, present, future or contingent), whether situated in India or abroad, including but not limited to machinery, generator sets, equipment, capital work-in-progress, office equipment, computers, appliances, accessories, stocks and inventory, leasehold assets and other properties, the cash in hand, amounts lying in the banks to the credit of the Transferor Company 1 or the Transferor Company 2, as the case may be, investments of all kinds (including shares,



scrips, stocks, bonds, debentures stocks, units, or securities of all kind and nature), claims, powers, authorities, allotments, Permits, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, leasehold rights, memoranda of understanding, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by Applicable Laws, licensee and licensor rights, goodwill, other intangibles, industrial and other licenses, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counterparties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions, Permits of whatsoever nature including but not limited to benefits of tax exemptions/benefits and/or exemption entitlements, all tax holidays, tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, brought forward accumulated tax losses, unabsorbed depreciation, minimum alternate tax, etc. and under indirect taxes such as CENVAT credit, service tax credits, and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company 1 or the Transferor Company 2, as the case may be, as on the Effective Date;

- (b) All agreements, rights, contracts (including but not limited to agreements with respect to immoveable and movable properties being used by, or under the power, possession or control of, the Transferor Company 1 or the Transferor Company 2, as the case may be, by way of leasehold, license or any other rights or privileges or other arrangements), bids, tenders, letters of intent, expressions of interest, entitlements, licenses, permissions, incentives, Permits, registrations, tax deferrals & exemptions and benefits, subsidies, income tax benefits and exemptions including the right to deduction under applicable provisions of the Income-tax Act, 1961 in respect of the profits of the undertaking for the residual period, i.e., for the period remaining as on the Effective Date out of the total period for which the deduction is available in Applicable Laws if the amalgamation pursuant to this Scheme does not take place, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quotas, rights, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company 1 or the Transferor Company 2, as the case may be, and all other Permits of every kind, nature and description whatsoever relating to business activities and operations of the Transferor Company 1 or the Transferor Company 2, as the case may be, and that may be required to carry on the operations of the Transferor Company 1 or the Transferor Company 2, as the case may be;



(c)

Amounts claimed by the Transferor Company 1 or the Transferor Company 2, as the case may be, whether or not so recorded in the books of account of the Transferor

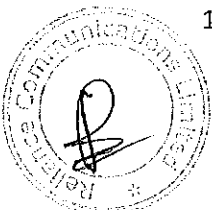
Company 1 or the Transferor Company 2, as the case may be, from any third party, counterparty, Appropriate Authority, under any Applicable Laws, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment;

- (d) All other obligations of whatsoever kind, including liabilities of the Transferor Company 1 or the Transferor Company 2, as the case may be, with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise;
- (e) All employees engaged by the Transferor Company 1 or the Transferor Company 2, as the case may be, at various locations;
- (f) All the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company 1 or the Transferor Company 2, as the case may be, as on the Effective Date; and
- (g) All books, records, files, papers, process information, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the Transferor Company 1 or the Transferor Company 2, as the case may be.

1.2 In this Scheme unless repugnant or contrary to the context or meaning thereof: (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) subject to (iii) below, all terms and words not defined in this Scheme shall have the same meaning ascribed to them under Applicable Laws; and (iii) all terms and words not defined in this Scheme but defined in the Merger Agreement shall have the meaning ascribed to it in the Merger Agreement.

1.3 In this Scheme, unless the context otherwise requires:

- 1.3.1 words denoting singular shall include plural and vice versa;
- 1.3.2 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 1.3.3 references to the word "include" or "including" shall be construed without limitation;
- 1.3.4 a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 1.3.5 unless otherwise defined, the reference to the word "days" shall mean calendar days;
- 1.3.6 Reference in this Scheme or the Merger Agreement to the date of "**coming into effect of this Scheme**" or "**effectiveness of this Scheme**" shall mean the Effective Date;
- 1.3.7 reference to a document includes an amendment or supplement to, or replacement or novation of, that document;



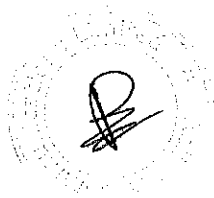
- 1.3.8 word(s) and expression(s) elsewhere defined in this Scheme will have the meaning(s) respectively ascribed to them;
- 1.3.9 in the context of the "Demerged Undertaking 1", (a) the relevant Demerged Company shall mean the Demerged Company 1; (b) the relevant contracts shall mean the contracts relating to the Demerged Undertaking 1; (c) Identified Assets shall mean those assets relating to the Demerged Undertaking 1; (d) the Identified Liabilities shall mean the Identified Liabilities 1 and the RCOM Assumed Debt; and (e) the Identified Litigations shall mean Identified Litigations relating to the Demerged Undertaking 1;
- 1.3.10 in the context of "Demerged Undertaking 2", (a) the relevant Demerged Company shall mean Demerged Company 1; (b) the relevant contracts shall mean the contracts relating to the Demerged Undertaking 2; (c) Identified Assets shall mean those assets relating to the Demerged Undertaking 2; (d) the Identified Liabilities shall mean the Identified Liabilities 2; and (e) the Identified Litigations shall mean Identified Litigations relating to the Demerged Undertaking 2;
- 1.3.11 in the context of "Demerged Undertaking 3", (a) the relevant Demerged Company shall mean Demerged Company 2; (b) the relevant contracts shall mean the contracts relating to the Demerged Undertaking 3; (c) Identified Assets shall mean those assets relating to the Demerged Undertaking 3; (d) the Identified Liabilities shall mean the Identified Liabilities 3; and (e) the Identified Litigations shall mean the Identified Litigations relating to the Demerged Undertaking 3;

2. SHARE CAPITAL

- 2.1 The share capital structure of the Demerged Company 1 as on 9 September 2016 is as follows:

	INR
Authorised Share Capital	
5,000,000,000 equity shares of INR 5 each	2,5000,000,000
Total	2,5000,000,000
Issued, Subscribed and Paid-up Capital	
2,488,979,745 equity shares of INR 5 each	12,444,898,725
Total	12,444,898,725

The equity shares of the Demerged Company 1 are listed on the Stock Exchanges and its global depository receipts are listed on the Luxembourg Stock Exchange. The issued and paid-up share capital includes 10,355,247 (ten million three hundred and fifty five thousand two hundred and forty seven) equity shares represented by the global depository receipts as on 9 September 2016. Subsequent to 9 September 2016, as on the date of this Scheme being approved by the Board of the Demerged Company 1, there is no change in the authorized, issued, subscribed and paid-up equity share capital of the Demerged Company 1.



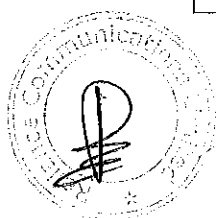
2.2 The share capital structure of the Demerged Company 2 as on 9 September 2016 is as follows:

	INR
Authorised Share Capital	
120,000,000 equity shares of INR 10 each	120,00,00,000
100,000,000 preference shares of INR 10 each	100,00,00,000
280,000,000 unclassified shares of INR 10 each	280,00,00,000
Total	500,00,00,000
Issued, Subscribed and Paid-Up	
85,000,000 equity shares of INR 10 each	85,00,00,000
45,000,000 non-convertible, non-cumulative, redeemable preference shares of INR 10 each fully paid	45,00,00,000
13,477,000 redeemable, non-cumulative, non-convertible preference shares of INR 10 each fully paid	13,47,70,000
Total	143,47,70,000

The Demerged Company 2 is a wholly owned subsidiary of the Demerged Company 1. The equity shares of the Demerged Company 2 are not listed on any recognised stock exchange in India or elsewhere. Subsequent to 9 September 2016, as on the date of this Scheme being approved by the Board of the Demerged Company 2, there is no change in the authorized, issued, subscribed and paid-up equity share capital of the Demerged Company 2.

2.3 The share capital structure of the Transferor Company 1 as on 9 September 2016 is as follows:

	INR
Authorised Share Capital	
300,000,000 equity shares of INR 10 each	3,000,000,000
2,000,000,000 redeemable cumulative non-convertible preference shares of INR 10 each	20,000,000,000
Total	23,000,000,000
Issued, Subscribed and Paid-up Capital	
46,000,000 equity shares of INR 10 each	460,000,000
1,644,594,517 redeemable cumulative non-convertible preference shares of INR 10 each	16,445,945,170
Total	16,905,945,170



The equity shares of the Transferor Company 1 are not listed on any recognised stock exchange in India or elsewhere. Subsequent to 9 September 2016, as on the date of this Scheme being approved by the Board of the Transferor Company 1, there is no change in the authorized, issued, subscribed and paid-up equity share capital of the Transferor Company 1.

2.4 The share capital structure of the Transferor Company 2 as on 9 September 2016 is as follows:

	INR
Authorised Share Capital	
300,000,000 equity shares of INR 10 each	3,000,000,000
2,000,000,000 redeemable cumulative non-convertible preference shares of INR 10 each	20,000,000,000
Total	23,000,000,000
Issued, Subscribed and Paid-up Capital	
6,217,278 equity shares of INR 10 each	62,172,780
1,644,461,328 redeemable cumulative non-convertible preference shares of INR 10 each	16,444,613,280
Total	16,506,786,060

The equity shares of the Transferor Company 2 are not listed on any recognised stock exchange in India or elsewhere. Subsequent to 9 September 2016, as on the date of this Scheme being approved by the Board of the Transferor Company 2, there is no change in authorized, issued, subscribed and paid-up equity share capital of the Transferor Company 2.

2.5 The share capital structure of the Resulting Company 1 as on 9 September 2016 is as follows:

	INR
Authorised Share Capital	
5,000,000,000 equity shares of INR 10 each	50,000,000,000
15,000,000,000 redeemable cumulative non-convertible preference shares of INR 10 each	150,000,000,000
Total	200,000,000,000
Issued, Subscribed and Paid-up Capital	
243,243,243 equity shares of INR 10 each	2,432,432,430
8,091,527,200 redeemable cumulative non-convertible preference shares of INR 10 each	80,915,272,000
Total	83,347,704,430

The equity shares of the Resulting Company 1 are not listed on any recognised stock exchange in India or elsewhere. Subsequent to 9 September 2016, as on the date of this Scheme being approved by the Board of the Resulting Company 1, there is no change in the authorized, issued, subscribed and paid-up equity share capital of the Resulting Company 1.

2.6 The share capital structure of the Resulting Company 2 as on 9 September 2016 is as follows:

	INR
Authorised Share Capital	
75,000,000 equity shares of INR 10 each	750,000,000
2,000,000,000 redeemable cumulative non-convertible preference shares of INR 10 each	20,000,000,000
Total	20,750,000,000
Issued, Subscribed and Paid-up Capital	
29,798,130 equity shares of INR 10 each	297,981,300
1,608,817,590 redeemable cumulative non-convertible preference shares of INR 10 each	16,088,175,900
Total	16,386,157,200

The Resulting Company 2 is a wholly owned subsidiary of the Resulting Company 1. The equity shares of the Resulting Company 2 are not listed on any recognised stock exchange in India or elsewhere. Subsequent to 9 September 2016, as on the date of this Scheme being approved by the Board of the Resulting Company 2, there is no change in the authorized, issued, subscribed and paid-up equity share capital of the Resulting Company 2.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

3.1 This Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the High Court or made as per Clause 41 of this Scheme, shall become operative and effective from the Effective Date.

3.2 Without prejudice to the aforesaid and notwithstanding anything contained in this Scheme, in order to ensure compliance with the requirements of Foreign Exchange Management Act, 1999 including the foreign direct investment policy thereto:

3.2.1 the actions set out in Part VI of this Scheme shall precede the actions set out in all other Parts of this Scheme;

3.2.2 the actions set out in Part II of this Scheme shall precede the actions set out in Part III, Part IV and Part V of this Scheme;

3.2.3 the actions set out in Part III of this Scheme shall precede the actions set out in Part IV and Part V of this Scheme; and



- 3.2.4 the actions set out in Part IV of this Scheme shall precede the actions set out in Part V of this Scheme.

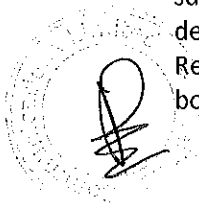
PART II

DEMERGER AND VESTING OF THE DEMERGED UNDERTAKINGS

SECTION I: DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1

4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 1

- 4.1 With effect from the Effective Date, pursuant to the provisions of Sections 391 to 394 of the Act and all other provisions of the Act, the Demerged Undertaking 1 will be demerged and transferred from the Demerged Company 1 and be transferred and vested unto the Resulting Company 1, without any further act, deed or matter, on a going concern basis, such that the Demerged Undertaking 1 shall without any other order to this effect, become the properties, assets, rights, claims, title, interest, authorities, licenses, Permits, registrations, quotas, allocations, investments and liabilities of the Resulting Company 1 simply by virtue of approval of this Scheme and in the manner provided in this Scheme.
- 4.2 Without prejudice to the generality of Clause 4.1 above and upon coming into effect of this Scheme the entire business and undertaking of the Demerged Undertaking 1, including the properties, claims, title, interest, assets of whatsoever nature such as Permits relating to the Demerged Undertaking 1 and all other right, title, interest, contracts or powers of every kind, nature and description of whatsoever nature and where-so-ever situated and forming part of the Identified Assets 1, be and shall stand transferred to and vested in the Resulting Company 1 as a going concern pursuant to the provisions of Section 394 of the Act, and other applicable provisions, if any, of the Act and pursuant to the order of the High Court sanctioning this Scheme and without any further act or deed or instrument and subject to the manner contemplated in this Scheme for the vesting of certain Identified Assets 1 and assumption of certain Identified Liabilities 1, comprised in the Demerged Undertaking 1.
- 4.3 In respect of such of the assets and properties forming part of the Identified Assets 1 pertaining to the Demerged Undertaking 1 as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Demerged Company 1 upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company 1.
- 4.4 In respect of assets other than those dealt with in Clause 4.3 above and forming part of the Identified Assets 1, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Demerged Undertaking 1, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Resulting Company 1 without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Demerged Company 1 to recover or realise the same stands transferred to the Resulting Company 1.
- 4.5 The Demerged Company 1 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Resulting Company 1 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes and the Demerged Company 1 shall provide all



necessary assistance required in this regard to the Resulting Company 1.

- 4.6 Upon the coming into effect of this Scheme, the Identified Liabilities 1 exclusively relating to the Demerged Undertaking 1 which arose out of the activities or operations of the Demerged Undertaking 1 and which are more particularly set out in in **Part A of Part 2 of Schedule 1** shall without any further act or deed be and stand transferred to and vested in the Resulting Company 1 and shall become the debt, duties, undertakings, liabilities and obligations of the Resulting Company 1.
- 4.7 All the Identified Assets 1 and the Identified Liabilities 1 of the Demerged Undertaking 1, as set out in **Part A of Part 1 of Schedule 1** and **Part A of Part 2 of Schedule 1**, respectively, shall be deemed to be transferred on the Effective Date, for the consideration provided in Clause 19, in the manner set out in this **Section I**.
- 4.8 In accordance with the MODVAT/CENVAT/VAT rules framed under the Central Excise Act, 1944, or relevant state legislation, as prevalent, the unutilized credit relating to excise duties and value added taxes paid on inputs/capital goods lying to the account of the Demerged Undertaking 1, shall be permitted to be transferred to the credit of the Resulting Company 1. The Resulting Company 1 shall accordingly be entitled to set off all such credits against excise duty / applicable valued added tax payable by it.

5. PERMITS

- 5.1 With effect from the Effective Date, Permits relating to the Demerged Undertaking 1 shall be transferred to and vested in the Resulting Company 1 and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Resulting Company 1 on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking 1 in the Resulting Company 1 and continuation of operations pertaining to the Demerged Undertaking 1 in the Resulting Company 1 without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company 1 without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company 1 as if the same were originally given by, issued to or executed in favour of the Resulting Company 1 and the Resulting Company 1 shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company 1. It is clarified that the demerger and transfer of Demerged Undertaking 1 from Demerged Company 1 to Resulting Company 1 is subject to receipt of written approval of the DoT and satisfaction of all the conditions stipulated in such approval of the DoT in the manner contemplated under Clause 42.1.5.
- 5.2 The benefit of all Permits pertaining to the Demerged Undertaking 1 shall without any other order to this effect, transfer and vest into and become available to the Resulting Company 1 pursuant to the sanction of this Scheme.
- 5.3 The Demerged Company 1 in relation to the Demerged Undertaking 1 may be entitled to various benefits incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Demerged Undertaking 1 shall stand transferred to and vested in the Resulting Company 1 and all benefits, entitlements and incentives of any nature whatsoever including benefits under Tax, including the excise, sales tax, service tax, exemptions, concessions, remissions, and subsidies, to the extent statutorily available, shall be claimed by the Resulting Company 1. Provided however that any and all benefits, entitlements and incentives of any nature whatsoever relating to income tax shall not be transferred to the Resulting Company 1.



6. CONTRACTS

- 6.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments as set out under the Merger Agreement, in relation to the Demerged Undertaking 1, to which the Demerged Company 1 is a party and which is subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Resulting Company 1 and shall be binding on and be enforceable by and against the Resulting Company 1 as fully and effectually as if the Resulting Company 1 had at all material times been a party or beneficiary or oblige thereto. The Resulting Company 1 will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above. Provided however that and unless expressly provided in the Merger Agreement, the benefits conferred upon Demerged Company 1 under the SSTL FMA in relation to the Demerged Undertaking 1 shall be assigned to Resulting Company 1 and the SSTL FMA shall not be novated to Resulting Company 1.
- 6.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking 1 occurs by virtue of this Scheme, the Resulting Company 1 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof and the Merger Agreement, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company 1 is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. With effect from the Effective Date, the Resulting Company 1 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company 1 to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company 1.

7. EMPLOYEES

- 7.1 Upon this Scheme coming into effect and with effect from the Effective Date, the Resulting Company 1 undertakes to engage all Transferred Employees relating to the Demerged Undertaking 1, identified in the manner as set out in the Merger Agreement, on terms and conditions that are no less favourable to such Transferred Employees than the corresponding terms of such Transferred Employees' contract of employment with the Demerged Company 1, as existing immediately prior to the date on which an offer of employment was made to such Transferred Employees by the Resulting Company 1, without any interruption of service as a result of transfer of the Demerged Undertaking 1 to the Resulting Company 1. The Resulting Company 1 agrees that the period of services of all such Transferred Employees with the Demerged Company 1 prior to the Effective Date shall be taken into account for the purposes of all benefits of the Resulting Company 1 to which the said Transferred Employees may be eligible, including for the purpose of payment of any remuneration or contracts or statutory benefits, incentive plans, retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company 1 and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company 1.

7.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the Transferred Employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged



Company 1. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Resulting Company 1, the existing trusts created for such funds by the Demerged Company 1 shall stand dissolved.

- 7.3 It is clarified that save as expressly provided for in this Scheme, the Transferred Employees who become employees of the Resulting Company 1 by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Resulting Company 1, unless otherwise determined by the Resulting Company 1. The Resulting Company 1 undertakes to continue to abide by any agreement / settlement, if any, entered into or deemed to have been entered into by the Demerged Company 1 with any union/ Transferred Employee of the Demerged Company 1.

8. LEGAL PROCEEDINGS

- 8.1 Upon the coming into effect of this Scheme, Identified Litigations relating to the Demerged Undertaking 1 shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company 1 with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company 1.
- 8.2 The Resulting Company 1: (a) shall be replaced/ added as party to such Identified Litigations relating to the Demerged Undertaking 1; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company 1 shall consequently stand nullified.
- 8.3 It is clarified that except, as otherwise provided herein or the Merger Agreement, the Demerged Company 1 shall in no event be responsible or liable in relation to any Identified Litigations relating to the Demerged Undertaking 1 that stand transferred to the Resulting Company 1.

SECTION II: DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2

9. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 2

- 9.1 With effect from the Effective Date, pursuant to the provisions of Sections 391 to 394 of the Act and all other provisions of the Act, the Demerged Undertaking 2 will be demerged and transferred from the Demerged Company 1 and be transferred and vested unto the Resulting Company 2, without any further act, deed or matter, on a going concern basis, such that the Demerged Undertaking 2 shall without any other order to this effect, become the properties, assets, rights, claims, title, interest, authorities, licenses, Permits, registrations, quotas, allocations, investments and liabilities of the Resulting Company 2 simply by virtue of approval of this Scheme and in the manner provided in this Scheme.
- 9.2 Without prejudice to the generality of Clause 9.1 above and upon coming into effect of this Scheme the entire business and undertaking of the Demerged Undertaking 2, including the properties, claims, title, interest, assets of whatsoever nature such as Permits relating to the Demerged Undertaking 2 and all other right, title, interest, contracts or powers of every kind, nature and description of whatsoever nature and where-so-ever situated and forming part of the Identified Assets 2, be and shall stand transferred to and vested in the Resulting Company 2 as a going concern pursuant to the provisions of Section 394 of the Act, and other applicable provisions, if any, of the Act and pursuant to the order of the High Court sanctioning this Scheme and without any further act or deed or instrument and subject to the manner



contemplated in this Scheme for the vesting of certain Identified Assets 2 and assumption of certain Identified Liabilities 2, comprised in the Demerged Undertaking 2.

- 9.3 In respect of such of the assets and properties forming part of the Identified Assets 2 pertaining to the Demerged Undertaking 2 as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Demerged Company 1 upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company 2.
- 9.4 In respect of assets other than those dealt with in Clause 9.3 above and forming part of the Identified Assets 2, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Demerged Undertaking 2, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Resulting Company 2 without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Demerged Company 1 to recover or realise the same stands transferred to the Resulting Company 2.
- 9.5 The Demerged Company 1 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Resulting Company 2 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes and the Demerged Company 1 shall provide all necessary assistance required in this regard to the Resulting Company 2.
- 9.6 Upon the coming into effect of this Scheme, the Identified Liabilities 2 exclusively relating to the Demerged Undertaking 2 which arose out of the activities or operations of the Demerged Undertaking 2 and which are more particularly set out in **Part B of Part 2 of Schedule 1** shall without any further act or deed be and stand transferred to and vested in the Resulting Company 2 and shall become the debt, duties, undertakings, liabilities and obligations of the Resulting Company 2.
- 9.7 All the Identified Assets 2 and the Identified Liabilities 2 of the Demerged Undertaking 2, as set out in **Part B of Part 1 of Schedule 1** and **Part B of Part 2 of Schedule 1**, respectively, shall be deemed to be transferred on the Effective Date, for the consideration provided in Clause 19, in the manner set out in this **Section II**.
- 9.8 In accordance with the MODVAT/CENVAT/VAT rules framed under the Central Excise Act, 1944, or relevant state legislation, as prevalent, the unutilized credit relating to excise duties and value added taxes paid on inputs/capital goods lying to the account of the Demerged Undertaking 2, shall be permitted to be transferred to the credit of the Resulting Company 2. The Resulting Company 2 shall accordingly be entitled to set off all such credits against excise duty / applicable valued added tax payable by it.

10. PERMITS

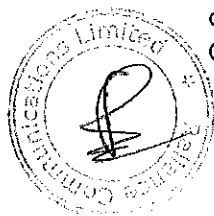
- 10.1 With effect from the Effective Date, the Permits relating to Demerged Undertaking 2 shall be transferred to and vested in the Resulting Company 2 and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Resulting Company 2 on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking 2 in the Resulting Company 2 and continuation of operations pertaining to the Demerged Undertaking 2 in the Resulting Company 2 without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the

Resulting Company 2 without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company 2 as if the same were originally given by, issued to or executed in favour of the Resulting Company 2 and the Resulting Company 2 shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company 2. It is clarified that the demerger and transfer of Demerged Undertaking 2 from Demerged Company 1 to Resulting Company 2 is subject to receipt of written approval of the DoT and satisfaction of all the conditions stipulated in such approval of the DoT in the manner contemplated under Clause 42.1.5.

- 10.2 The benefit of all Permits pertaining to the Demerged Undertaking 2 shall without any other order to this effect, transfer and vest into and become available to the Resulting Company 2 pursuant to the sanction of this Scheme.
- 10.3 The Demerged Company 1 in relation to the Demerged Undertaking 2 may be entitled to various benefits incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Demerged Undertaking 2 shall stand transferred to and vested in the Resulting Company 2 and all benefits, entitlements and incentives of any nature whatsoever including benefits under Tax, including the excise, sales tax, service tax, exemptions, concessions, remissions, and subsidies, to the extent statutorily available, shall be claimed by the Resulting Company 2. Provided however that any and all benefits, entitlements and incentives of any nature whatsoever relating to income tax shall not be transferred to the Resulting Company 2.

11. CONTRACTS

- 11.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments as set out under the Merger Agreement, in relation to the Demerged Undertaking 2, to which the Demerged Company 1 is a party and which is subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Resulting Company 2 and shall be binding on and be enforceable by and against the Resulting Company 2 as fully and effectually as if the Resulting Company 2 had at all material times been a party or beneficiary or oblige thereto. The Resulting Company 2 will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above. Provided however that and unless expressly provided in the Merger Agreement, the benefits conferred upon Demerged Company 1 under the SSTL FMA in relation to the Demerged Undertaking 2 shall be assigned to Resulting Company 1 and the SSTL FMA shall not be novated to Resulting Company 1.
- 11.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking 2 occurs by virtue of this Scheme, the Resulting Company 2 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof and the Merger Agreement, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company 1 is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. With effect from the Effective Date the Resulting Company 2 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company 1 to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company 1.



12. EMPLOYEES

- 12.1 Upon this Scheme coming into effect and with effect from the Effective Date, the Resulting Company 2 undertakes to engage all Transferred Employees relating to Demerged Undertaking 2, and identified in the manner as set out in the Merger Agreement, on terms and conditions that are no less favourable to such Transferred Employees than the corresponding terms of such Transferred Employees' contract of employment with the Demerged Company 1, as existing immediately prior to the date on which an offer of employment was made to such Transferred Employees by the Resulting Company 1, without any interruption of service as a result of transfer of the Demerged Undertaking 2 to the Resulting Company 2. The Resulting Company 2 agrees that the period of services of all such Transferred Employees with the Demerged Company 1 prior to the Effective Date shall be taken into account for the purposes of all benefits of the Resulting Company 2 to which the said Transferred Employees may be eligible, including for the purpose of payment of any remuneration or contracts or statutory benefits, incentive plans, retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company 2 and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company 2.
- 12.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the Transferred Employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company 1. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Resulting Company 2, the existing trusts created for such funds by the Demerged Company 1 shall stand dissolved.
- 12.3 It is clarified that save as expressly provided for in this Scheme, the Transferred Employees who become employees of the Resulting Company 2 by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Resulting Company 2, unless otherwise determined by the Resulting Company 2. The Resulting Company 2 undertakes to continue to abide by any agreement / settlement, if any, entered into or deemed to have been entered into by the Demerged Company 1 with any union/ Transferred Employees of the Demerged Company 1.

13. LEGAL PROCEEDINGS

- 13.1 Upon the coming into effect of this Scheme, Identified Litigations relating to the Demerged Undertaking 2 shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company 2 with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company 2.
- 13.2 The Resulting Company 2: (a) shall be replaced/added as party to such Identified Litigations relating to the Demerged Undertaking 2; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company 2 shall consequently stand nullified.
- 13.3 Except, as otherwise provided herein or the Merger Agreement, the Demerged Company 2

shall in no event be responsible or liable in relation to any Identified Litigations relating to the Demerged Undertaking 2 that stand transferred to the Resulting Company 2.

SECTION III: DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 3

14. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING 3

- 14.1 With effect from the Effective Date, pursuant to the provisions of Sections 391 to 394 of the Act and all other provisions of the Act, the Demerged Undertaking 3 will be demerged and transferred from the Demerged Company 2 and be transferred and vested unto the Resulting Company 2, without any further act, deed or matter, on a going concern basis, such that the Demerged Undertaking 3 shall without any other order to this effect, become the properties, assets, rights, claims, title, interest, authorities, licenses, Permits, registrations, quotas, allocations, investments and liabilities of the Resulting Company 2 simply by virtue of approval of this Scheme and in the manner provided in this Scheme.
- 14.2 Without prejudice to the generality of Clause 14.1 above and upon coming into effect of this Scheme the entire business and undertaking of the Demerged Undertaking 3, including the properties, claims, title, interest, assets of whatsoever nature such as Permits relating to the Demerged Undertaking 3 and all other right, title, interest, contracts or powers of every kind, nature and description of whatsoever nature and where-so-ever situated and forming part of the Identified Assets 3, be and shall stand transferred to and vested in the Resulting Company 2 as a going concern pursuant to the provisions of Section 394 of the Act, and other applicable provisions, if any, of the Act and pursuant to the order of the High Court sanctioning this Scheme and without any further act or deed or instrument and subject to the manner contemplated in this Scheme for the vesting of certain Identified Assets 3 and assumption of certain Identified Liabilities 3, comprised in the Demerged Undertaking 3.
- 14.3 In respect of such of the assets and properties forming part of the Identified Assets 3 pertaining to the Demerged Undertaking 3 as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Demerged Company 2 upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company 2.
- 14.4 In respect of assets other than those dealt with in Clause 14.3 above and forming part of the Identified Assets 3, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits if any, pertaining to the Demerged Undertaking 3, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Resulting Company 2 without any notice or other intimation to any Person in pursuance of the provisions of the Sections 391 to 394 of the Companies Act, 1956, read with other relevant provisions of the Act to the end and intent that the right of the Demerged Company 2 to recover or realise the same stands transferred to the Resulting Company 2.
- 14.5 The Demerged Company 2 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Resulting Company 2 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes and the Demerged Company 2 shall provide all necessary assistance required in this regard to the Resulting Company 2.
- 14.6 Upon the coming into effect of this Scheme, the Identified Liabilities 3 exclusively relating to the Demerged Undertaking 3 which arose out of the activities or operations of the Demerged



Undertaking 3 and which are more particularly set out in **Part C of Part 2 of Schedule 1** shall without any further act or deed be and stand transferred to and vested in the Resulting Company 2 and shall become the debt, duties, undertakings, liabilities and obligations of the Resulting Company 2.

14.7 All the Identified Assets 3 and the Identified Liabilities 3 of the Demerged Undertaking 3, as set out in **Part C of Part 1 of Schedule 1** and **Part C of Part 2 of Schedule 1**, respectively, shall be deemed to be transferred on the Effective Date, for the consideration provided in Clause 19, in the manner set out in this **Section III**.

14.8 In accordance with the MODVAT/CENVAT/VAT rules framed under the Central Excise Act, 1944, or relevant state legislation, as prevalent, the unutilized credit relating to excise duties and value added taxes paid on inputs/capital goods lying to the account of the Demerged Undertaking 3, shall be permitted to be transferred to the credit of the Resulting Company 2. The Resulting Company 2 shall accordingly be entitled to set off all such credits against excise duty / applicable valued added tax payable by it.

15. **PERMITS**

15.1 With effect from the Effective Date, Permits relating to Demerged Undertaking 3 shall be transferred to and vested in the Resulting Company 2 and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Resulting Company 2 on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking 3 in the Resulting Company 2 and continuation of operations pertaining to the Demerged Undertaking 3 in the Resulting Company 2 without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company 2 without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company 2 as if the same were originally given by, issued to or executed in favour of the Resulting Company 2 and the Resulting Company 2 shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company 2. It is clarified that the demerger and transfer of Demerged Undertaking 3 from Demerged Company 2 to Resulting Company 2 is subject to receipt of written approval of the DoT and satisfaction of all the conditions stipulated in such approval of the DoT in the manner contemplated under Clause 42.1.5.

15.2 The benefit of all Permits pertaining to the Demerged Undertaking 3 shall without any other order to this effect, transfer and vest into and become available to the Resulting Company 2 pursuant to the sanction of this Scheme.

15.3 The Demerged Company 2 in relation to the Demerged Undertaking 3 may be entitled to various benefits incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Demerged Undertaking 3 shall stand transferred to and vested in the Resulting Company 2 and all benefits, entitlements and incentives of any nature whatsoever including benefits under Tax, including the excise, sales tax, service tax, exemptions, concessions, remissions, and subsidies, to the extent statutorily available, shall be claimed by the Resulting Company 2. Provided however that any and all benefits, entitlements and incentives of any nature whatsoever relating to income tax shall not be transferred to the Resulting Company 2.



16. CONTRACTS

- 16.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of as set out under the Merger Agreement, in relation to the Demerged Undertaking 3, to which the Demerged Company 2 is a party and which is subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Resulting Company 2 and shall be binding on and be enforceable by and against the Resulting Company 2 as fully and effectually as if the Resulting Company 2 had at all material times been a party or beneficiary or oblige thereto. The Resulting Company 2 will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above.
- 16.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking 3 occurs by virtue of this Scheme, the Resulting Company 2 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof and the Merger Agreement, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company 2 is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. With effect from the Effective Date, the Resulting Company 2 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company 2 to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company 2.

17. EMPLOYEES

- 17.1 Upon this Scheme coming into effect and with effect from the Effective Date, the Resulting Company 2 undertakes to engage all Transferred Employees relating to the Demerged Undertaking 3, and identified in the manner as set out in the Merger Agreement, on terms and conditions that are no less favourable to such Transferred Employees than the corresponding terms of such Transferred Employees contract of employment with the Demerged Company 2, as existing immediately prior to the date on which an offer of employment was made to such Transferred Employees by the Resulting Company 2, without any interruption of service as a result of transfer of the Demerged Undertaking 3 to the Resulting Company 2. The Resulting Company 2 agrees that the period of services of all such Transferred Employees with the Demerged Company 2 prior to the Effective Date shall be taken into account for the purposes of all benefits of the Resulting Company 2 to which the said Transferred Employees may be eligible, including for the purpose of payment of any remuneration or contracts or statutory benefits, incentive plans, retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of the Transferred Employees in the existing provident fund, gratuity fund and superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company 2 and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Resulting Company 2.
- 17.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the Transferred Employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company 2. It is clarified that upon transfer of the aforesaid funds to the respective funds of



the Resulting Company 2, the existing trusts created for such funds by the Demerged Company 2 shall stand dissolved.

- 17.3 It is clarified that save as expressly provided for in this Scheme, the Transferred Employees who become employees of the Resulting Company 2 by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Resulting Company 2, unless otherwise determined by the Resulting Company 2. The Resulting Company 2 undertakes to continue to abide by any agreement / settlement, if any, entered into or deemed to have been entered into by the Demerged Company 2 with any union/ Transferred Employees of the Demerged Company 2.

18. LEGAL PROCEEDINGS

- 18.1 Upon the coming into effect of this Scheme, Identified Litigations relating to the Demerged Undertaking 3 shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company 2 with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company 2.
- 18.2 The Resulting Company 2: (a) shall be replaced/added as party to such Identified Litigations relating to the Demerged Undertaking 3; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company 2 shall consequently stand nullified.
- 18.3 It is clarified that except as otherwise provided herein or the Merger Agreement, the Demerged Company 2 shall in no event be responsible or liable in relation to any Identified Litigations relating to the Demerged Undertaking 3 that stand transferred to the Resulting Company 2.

19. CONSIDERATION

- 19.1 Upon this Scheme coming into effect and in consideration of and subject to the provisions of this Scheme:
- 19.1.1 for the transfer and vesting of: (a) the Demerged Undertaking 1 in the Resulting Company 1; (b) Demerged Undertaking 2 in the Resulting Company 2; and (c) Demerged Undertaking 3 in the Resulting Company 2; pursuant to provisions of this Scheme and Applicable Law, the Resulting Company 1 shall, without any further application, act, deed payment, consent, acts, instrument or deed, issue and allot to the Demerged Company 1, 14,000,000,000 (fourteen billion) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of Resulting Company 1 and additional shares which shall not exceed 1,950,000,000 (one billion nine hundred and fifty million) representing the Demerged Company 1 Additional Value contributed by the Demerged Companies, the Resulting Company 1 shall, representing 8,067,019,557 (eight billion sixty seven million nineteen thousand five hundred and fifty seven) fully paid up equity share of INR 10 (Indian Rupees Ten) each of Resulting Company 1 in respect of Demerged Undertaking 1, 5,352,980,622 (five billion three hundred and fifty two million nine hundred and eighty thousand six hundred and twenty two) fully paid up equity share of INR 10 (Indian Rupees Ten) each of Resulting Company 1 in respect of Demerged Undertaking 2 and 579,999,821 (five hundred and seventy nine million nine hundred and ninety nine thousand eight hundred and twenty one) fully

paid up equity share of INR 10 (Indian Rupees Ten) each of Resulting Company 1 in respect of Demerged Undertaking 3;

19.1.2 for the transfer and vesting of the Demerged Undertaking 2 into Resulting Company 2 pursuant to provisions of this Scheme and Applicable Law, the Resulting Company 2 shall, without any further application, act, deed payment, consent, acts, instrument or deed, issue and allot to the Resulting Company 1; 5,352,980,622 (five billion three hundred and fifty two million nine hundred and eighty thousand six hundred and twenty two) fully paid up equity share of INR 10 (Indian Rupees Ten) each of Resulting Company 2 to Resulting Company 1 in discharge of consideration for Demerged Undertaking 2 as reimbursement of amount discharged by Resulting Company 1 on an aggregate basis as mentioned under Clause 19.1.1 above to Demerged Company 1 for the Demerged Undertaking 2. It is clarified that such consideration discharged by Resulting Company 2 shall be deemed to be the consideration discharged by Resulting Company 2 with respect to the transfer and vesting of Demerged Undertaking 2 from Demerged Company 1 to the Resulting Company 2. Accordingly, the consideration for the said undertaking acquired by Resulting Company 2 for which consideration is discharged by Resulting Company 2 as above, shall be accounted for and available as cost of the assets and liabilities comprised therein for Resulting Company 2, based on purchase price allocation carried out by an independent valuer; and

19.1.3 for the transfer and vesting of the Demerged Undertaking 3 into Resulting Company 2 pursuant to provisions of this Scheme and Applicable Law, the Resulting Company 2 shall, without any further application, act, deed payment, consent, acts, instrument or deed, issue and allot to the Resulting Company 1; 579,999,821 (five hundred and seventy nine million nine hundred and ninety nine thousand eight hundred and twenty one) fully paid up equity share of INR 10 (Indian Rupees Ten) each of Resulting Company 2 to Resulting Company 1 in discharge of consideration for Demerged Undertaking 3 as reimbursement of amount discharged by Resulting Company 1 on an aggregate basis under Clause 19.1.1 above to Demerged Company 1 for the Demerged Undertaking 3. It is clarified that: (A) such consideration discharged by Resulting Company 2 shall be deemed to be the consideration discharged by Resulting Company 2 with respect to the transfer and vesting of Demerged Undertaking 3 from Demerged Company 1 to the Resulting Company 2; and (B) the Demerged Company 1 shall be receiving consideration on behalf of the Demerged Company 2 for the transfer and vesting of the Demerged Undertaking 3 by Demerged Company 2 to Resulting Company 2. Accordingly, the consideration for the said undertaking acquired by Resulting Company 2 for which consideration is discharged by Resulting Company 2 as above, shall be accounted for and available as cost of the assets and liabilities comprised therein for Resulting Company 2, based on purchase price allocation carried out by an independent valuer.

19.2 The equity shares of the Resulting Company 1 or Resulting Company 2, as the case may be, to be issued and allotted as provided in Clause 19.1 above shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company 1 or Resulting Company 2, as the case may be, and shall rank *pari-passu* in all respects with the then existing equity shares of the Resulting Company 1 or Resulting Company 2, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits.



The issue and allotment of equity shares as provided in Clause 19.1, is an integral part hereof and shall be deemed to have been carried out without requiring any further act on the part of

the Resulting Companies or the Demerged Companies or their shareholders and as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, as may be applicable, and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Companies and/ or the Demerged Companies to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of equity shares pursuant to this Clause 19.

19.4 The equity shares issued pursuant to Clause 19.1 shall be in dematerialized form, provided all details relating to the relevant depository participants are available with the Resulting Company 1 or Resulting Company 2, as the case may be. If such details are not provided, the equity shares shall be issued to it in the physical form.

19.5 The Demerged Companies and Resulting Companies have also agreed in the Merger Agreement, to effect certain valuation adjustments so as to equalise the value of the Demerged Undertakings and value of the business of the Resulting Companies as on the Effective Date, in consideration of which additional shares may be issued by the Resulting Company 1 to the Demerged Company 1 and GCSHL, by way of a preferential allotment, in the manner contemplated in the Merger Agreement. It is clarified that immediately upon implementation of this Scheme (including Parts II, III, IV, V and VI) and the completion of such valuation adjustments agreed in the Merger Agreement, the Demerged Company 1 shall hold 50% of the fully diluted equity share capital of the Resulting Company 1.

20. ACCOUNTING BY THE DEMERGED COMPANIES AND THE RESULTING COMPANIES IN RESPECT OF ASSETS AND LIABILITIES

20.1 Accounting treatment in the books of the Demerged Company 1

Upon this Scheme becoming effective:

20.1.1 Demerged Company 1, shall reduce the book value of Identified Assets 1, Identified Assets 2, shares in New HoldCo, Identified Liabilities 1 and Identified Liabilities 2 pertaining to Demerged Undertaking 1 and Demerged Undertaking 2 from its books of accounts;

20.1.2 Demerged Company 1 shall record the equity shares issued to Demerged Company 1 by Resulting Company 1 pursuant to Clause 19.1 at fair value

20.1.3 Demerged Company 1 shall adjust an amount of receivable from Demerged Company 2 equivalent to the fair value of the equity shares of Resulting Company 1 received by the Demerged Company 1 as consideration for the transfer to the Resulting Company 2 of Demerged Undertaking 3 by Demerged Company 2;

20.2 Accounting treatment in the books of the Demerged Company 2

Upon this Scheme becoming effective:

20.2.1 Demerged Company 2, shall reduce the book value of Identified Assets 3 and Identified Liabilities 3 pertaining to Demerged Undertaking 3 from its books of accounts; and

20.2.2 Demerged Company 2 shall adjust as no longer payable an amount of payable to Demerged Company 1 equivalent to the fair value of equity shares of Resulting

Company 1 received by Demerged Company 1 being the entitlement of the Demerged Company 2 allowed to be obtained and retained by the Demerged Company 1.

20.3 Accounting treatment in the books of the Resulting Company 1

Upon coming into effect of this Scheme and upon the arrangement becoming operative the Resulting Company 1 shall record the Identified Assets 1 and Identified Liabilities 1 comprised in the Demerged Undertaking 1 transferred to and vested in the Resulting Company 1 pursuant to this Scheme at the fair market value as determined by an independent valuer and approved by the Board of the Resulting Company 1 as on the close of business on the day prior to the Effective Date in accordance with the Indian GAAP applicable to the Resulting Company 1. The Resulting Company 1 shall record the face value of equity share capital issued by Resulting Company 2 pursuant to Clause 19.1 of this Scheme as investments.

20.4 Accounting treatment in the books of the Resulting Company 2

Upon coming into effect of this Scheme and upon the arrangement becoming operative: (a) the Resulting Company 2 shall record the Identified Assets 2 and Identified Liabilities 2 comprised in the Demerged Undertaking 2 transferred to and vested in the Resulting Company 2 pursuant to this Scheme; and (b) the Resulting Company 2 shall record the Identified Assets 3 and Identified Liabilities 3 comprised in the Demerged Undertaking 3 transferred to and vested in the Resulting Company 2, pursuant to this Scheme at the fair market value as determined by an independent valuer and approved by the Board of Directors of the Resulting Company 2 as on the close of business on the day prior to the Effective Date in accordance with the Indian GAAP applicable to the Resulting Company 2.

21. REMAINING BUSINESS

- 21.1 The Remaining Business and all the assets, investments, liabilities and obligations including without limitation the Excluded Assets, Excluded Employees, Excluded IPR, Excluded Liabilities and Excluded Litigation of each of the Demerged Companies, shall continue to belong to and be vested in and be managed by the relevant Demerged Company.
- 21.2 All legal, Taxation and/ or other proceedings by or against the Demerged Companies under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Business of the Demerged Companies (including those relating to any property, right, power, liability, obligation or duties of the Demerged Companies in respect of the Remaining Business) shall be continued and enforced against the Demerged Companies.

PART III

AMALGAMATION OF TRANSFEROR COMPANIES WITH TRANSFEREE COMPANY

22. AMALGAMATION TRANSFER AND VESTING OF TRANSFEROR UNDERTAKINGS

- 22.1 With effect from the Effective Date, and subject to the provisions of this Scheme in relation to the mode of transfer and vesting of the Undertaking of the Transferor Companies, Undertaking of the Transferor Companies shall, without any further act, instrument or deed, be and stand transferred to and vested in, and/or be deemed to have been, and stand, transferred to, and vested in, the Transferee Company, so as to become on and from the Effective Date, the estate, assets, rights, title, interest and authorities of the Transferee Company, pursuant to Section 394(2) of the Act and section 2(1B) of the Income-tax Act, 1961, subject however, to all charges, liens, mortgages, then affecting the Transferor Companies or



any part thereof; provided always that this Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility created by or available to Transferor Companies, which shall be deemed to have been vested with the Transferee Company by virtue of the amalgamation, and the Transferee Company shall not be obliged to create any further or additional security therefore upon coming into effect of this Scheme or otherwise, except in case where the required security has not been created and in such case if the terms thereof require, the Transferee Company will create the security in terms of the issue or arrangement in relation thereto. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under this Scheme for any loans, deposits or other financial assistance availed/to be availed by it.

Provided that for the purpose of giving effect to the vesting order passed under Sections 391 to 394 of the Act in respect of this Scheme, the Transferee Company shall at all times be entitled to get effected the change in the title and the appurtenant legal right(s) upon the vesting of such properties of the Transferor Companies in accordance with the provisions of Section 391 to 394 of the Act, at the offices of any Appropriate Authority.

- 22.2 With respect to the assets forming part of the Undertaking of the Transferor Companies that are movable in nature or are otherwise capable of being transferred by manual delivery or endorsement and/or delivery, the same may be so transferred by the Transferor Companies without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company as on the Effective Date.
- 22.3 With respect to the assets of the Undertaking of the Transferor Companies other than those referred to in Clause 22.2 above, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company on the Effective Date pursuant to the provisions of Section 394 of the Act, with effect from the Effective Date. It is hereby clarified that all the investments made by the Transferor Companies and all the rights, title and interests of the Transferor Companies in any leasehold properties in relation to the Undertaking of the Transferor Companies, if any, shall, pursuant to Section 394(2) of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required.
- 22.4 For the avoidance of doubt, it is clarified that upon the coming into effect of this Scheme; and in accordance with the provisions of relevant Applicable Laws, consents, permissions, licences, certificates, authorities (including for the operation of bank accounts), powers of attorney given by, issued to or executed in favour of the Transferor Companies, and the rights and benefits under the same shall, and all quality certifications and approvals, trademarks, brands, patents and domain names, copyrights, industrial designs, trade secrets and other intellectual property and all other interests relating to the goods or services being dealt with by the Transferor Companies, be transferred to and vest in the Transferee Company.
- 22.5 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Companies is a party subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if the Transferee Company had at all material times been a party thereto. The Transferee Company will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements and other instruments as stated above. Any *inter-se* contracts between the

Transferor Companies on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

- 22.6 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking of the Transferor Companies occurs by virtue of this Scheme, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies.
- 22.7 In so far as the various incentives, tax exemption and benefits, tax credits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any Appropriate Authority, or availed of by the Transferor Companies are concerned as on the Effective Date, including income tax benefits and exemptions under applicable provisions of the Income-tax Act, 1961, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions on and from the Effective Date.
- 22.8 Upon the coming into effect of this Scheme, all debts, liabilities, duties and obligations of the Transferor Companies shall, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed be and stand transferred to, and vested in, and/or deemed to have been and stand transferred to, and vested in, the Transferee Company, so as to become on and from the Effective Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies and it shall not be necessary to obtain the consent of any person who is a party to contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- 22.9 Without prejudice to the provisions of the foregoing Clauses, and upon this Scheme becoming effective, the Transferor Companies and the Transferee Company shall execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies, to give formal effect to the above provisions.
- 22.10 If and to the extent there are loans, deposits or balances or other outstanding *inter-se* between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall, on and from the Effective Date, come to an end and suitable effect shall be given in the books of the Transferee Company. For removal of doubts, it is hereby clarified that with effect from the Effective Date, there would be no accrual of interest or other charges in respect of any such loans, deposits or balances *inter-se* between the Transferor Companies and the Transferee Company.
- 22.11 With effect from the Effective Date, there would be no accrual of income or expense on account of any transactions, including *inter alia* any transactions in the nature of sale or transfer of any goods, materials or services between the Transferor Companies and the Transferee Company.



- 22.12 Any tax liabilities under the Income-tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, value added tax laws, as applicable to any State in which the Transferor Companies operates, Central Sales Tax Act, 1956, any other State sales tax / value added tax laws, or service tax, or corporation tax, or other Applicable Laws and regulations dealing with taxes/ duties/ levies/cess (hereinafter in this Clause referred to as "**Tax Laws**") to the extent not provided for or covered by tax provision in the Transferor Companies' accounts made as on the date immediately preceding the Effective Date shall subject to the provisions of the Income-tax Act, 1961, be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source, tax refunds and MAT credit entitlement as on the date immediately preceding the Effective Date will also be transferred to the account of and belong to the Transferee Company.
- 22.13 Upon this Scheme becoming effective, the Transferee Company is expressly permitted to revise and file its income tax returns including service tax returns, sales tax and value added tax returns and other tax returns (including revised returns) as may be necessary and expressly reserves the right to make such provisions in its returns, and to claim refunds and credits etc. pertaining to the Transferor Companies notwithstanding that the statutory period for such revision and filing may have lapsed. The Transferee Company shall be entitled to claim and be allowed credit or benefits of all tax deduction certificates, advance tax or other tax payments, credits or drawbacks or any other credit or benefit of any tax, duty, CENVAT, incentive etc. relating to the Transferor Companies, notwithstanding that such certificates or challans or any other documents for tax payments or credits/benefits etc. may have been issued or made in the name of the Transferor Companies. Such credit/ benefit shall be allowed without any further act or deed by the Transferee Company or the need for any endorsements on such certificates, challans, documents etc. to be done by the issuers or any authority.
- 22.14 Upon this Scheme becoming effective, any TDS deposited, TDS certificates issued or TDS returns filed by the Transferor Companies shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company.
- 22.15 All expenses incurred by the Transferor Companies under Section 43B of the Income-tax Act, 1961, in relation and pertaining to its business, shall be claimed as a deduction by the Transferee Company and the transfer of the entire business shall be considered as succession of business by the Transferee Company.
- 22.16 Any refunds under the Tax Laws due to the Transferor Companies consequent to the assessment and which have not been received by the Transferor Companies as on the date immediately preceding the Effective Date shall also belong to and be received by the Transferee Company.
- 22.17 Without prejudice to the generality of the above, all benefits including under Tax Laws, to which the Transferor Companies are entitled to in terms of the applicable Tax Laws, including but not limited to advances recoverable in cash or kind or for value, and deposits with any Appropriate Authority or any third party/entity, shall be available to and vest in the Transferee Company.
- 22.18 All debentures, bonds, other debt securities and other instruments of like nature (whether convertible into equity shares or not) including non-convertible debentures issued to/held by the Transferor Companies, shall upon coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further

act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.

- 22.19 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies etc, the Transferor Companies shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court having sanctioned this Scheme under Sections 391 to 394 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realise the same, stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 22.20 Without prejudice to the provisions of this Scheme, with effect from the Effective Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes, from the Effective Date.
- 22.21 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 22.22 For avoidance of doubt and without prejudice to the generality of the applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Companies have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Companies after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Companies for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Companies. It is hereby expressly clarified that any legal proceedings by or against the Transferor Companies which are in the name of the Transferor Companies shall be instituted, or as the case maybe, continued by or against the Transferee Company after the coming into effect of this Scheme.

23. PERMITS

With effect from the Effective Date, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Transferor Companies, pursuant to the provisions of Section 394(2) of the Act, shall without any further act, instrument or deed, be transferred to, and vest in, or be deemed to have been transferred to, and vested in, and be available to, the Transferee Company so as to become as and from the Effective Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested,



recorded, effected, and/or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Companies and under the relevant license and/or permit and/or approval, as the case may be, and the Transferee Company shall keep a record and/or account of such transactions.

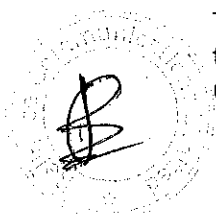
24. EMPLOYEES

24.1 Upon this Scheme coming into effect and with effect from the Effective Date, the Transferee Company undertakes to engage all the employees of the Transferor Companies on the same terms and conditions on which they are engaged by the Transferor Companies without any interruption of service as a result of the amalgamation of the Transferor Companies with the Transferee Company. The Transferee Company agrees that the services of all such employees with the Transferor Companies prior to the amalgamation of the Transferor Companies with the Transferee Company shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits and to this effect the accumulated balances, if any, standing to the credit of such employees in the existing provident fund, gratuity fund and superannuation fund of which they are members will be transferred to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/or such new provident fund, gratuity fund and superannuation fund to be established and caused to be recognized by the Appropriate Authorities, by the Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of such employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Companies. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Companies shall stand dissolved.

24.2 It is clarified that save as expressly provided for in this Scheme, the employees of the Transferor Companies who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, entered into or deemed to have been entered into by the Transferor Companies with any union/ employee of the Transferor Companies.

25. LEGAL PROCEEDINGS

If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "Proceedings") by or against the Transferor Companies be pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Companies.



26. **CONSIDERATION**

26.1 Upon this Scheme becoming effective and in consideration of the amalgamation of the Transferor Companies into the Transferee Company, including the transfer and vesting of the Transferor Undertakings of the Transferor Companies into the Transferee Company pursuant to the provisions of this Scheme, the Transferee Company shall without any further application, act, instrument or deed, issue and allot:

26.1.1 22,119,183 (twenty two million one hundred and nineteen thousand one hundred and eighty three) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of Transferee Company to GCSHL for 11,828,440 (eleven million eight hundred and twenty eight thousand four hundred and forty) equity share of INR 10 (Indian Rupees Ten) each held by GCSHL in the Transferor Company 1;

26.1.2 63,900,817 (sixty three million nine hundred thousand eight hundred and seventeen) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of Transferee Company to SSIPL for 34,171,560 (thirty four million one hundred and seventy one thousand five hundred and sixty) equity share of INR 10 (Indian Rupees Ten) each held by it in the Transferor Company 1; and

26.1.3 1 (one) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of Transferee Company to GCSHL for 6,217,278 (six million two hundred and seventeen thousand two hundred and seventy eight) equity share of INR 10 (Indian Rupees Ten) each held by it in the Transferor Company 2.

26.1.4 2,449,999 (two million four hundred and forty nine thousand nine hundred and ninety nine) fully paid up equity shares of INR 10 (Indian Rupees Ten) each of Transferee Company to GCSHL for 1,644,461,328 (one billion six hundred and forty four million four hundred and sixty one thousand and three hundred and twenty eight) non-convertible redeemable preference shares of INR 10 (Indian Rupees Ten) each held by it in the Transferor Company 2.

26.2 Cancellation of equity shares of the Resulting Company 1 held by the Transferor Company 1

26.2.1 With effect from the Effective Date, and in consideration of the amalgamation of the Transferor Companies into the Transferee Company, including the transfer and vesting of the Transferor Undertakings of the Transferor Companies into the Transferee Company pursuant to the provisions of this Scheme, the investments held by the Transferor Company 1 in the equity share capital of the Transferee Company shall stand cancelled and accordingly, the share capital of the Transferee Company shall stand reduced to the extent of the face value of the shares held by the Transferor Company 1 in the Transferee Company as on the Effective Date.

26.2.2 Such reduction of share capital of the Transferee Company and the Transferor Company 1 as provided in this Clause 26.2 shall be effected as a part of this Scheme, upon which the share capital of the Transferee Company and Transferor Company 1 shall be deemed to be reduced and the orders of the High Court sanctioning this Scheme shall be deemed to be an order under Sections 100 to 103 of the Act confirming such reduction of share capital of the Transferee Company. Notwithstanding the reduction of issued subscribed and paid up preference share capital of the Transferee Company, the Transferee Company shall not be required to add "And Reduced" as a suffix to its name.



29. DISSOLUTION OF THE TRANSFEROR COMPANY

On this Scheme becoming effective, the Transferor Companies shall stand dissolved without winding up. On and from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the concerned Registrar of Companies.

PART IV

REORGANISATION OF RESULTING COMPANY 1 RPS

30. CONVERSION OF RESULTING COMPANY 1 RPS

30.1 Subject to the approval of the Reserve Bank of India and such other Permits as may be required, the Resulting Company 1 RPS shall, on this Scheme coming into effect, without further act or deed be converted at par into fully paid up equity shares of INR 10 each of the Resulting Company 1 aggregating to 8,091,527,200 (eight billion ninety one million five hundred twenty seven thousand and two hundred) equity shares, and such equity shares (being the RPS Converted Equity Shares) shall be allotted to GCSHL being the holders of such preference shares on the Effective Date.

30.2 The RPS Converted Equity Shares shall be subject to the provisions of the memorandum and articles of association of the Resulting Company 1, and shall rank *pari-passu* in all respects with the then existing equity shares of the Resulting Company 1, after the Effective Date including with respect to dividend, bonus entitlement, rights' shares' entitlement, voting rights and other corporate benefits.

30.3 The issue and allotment of the RPS Converted Equity Shares is an integral part hereof and shall be deemed to have been carried out without requiring any further act on the part of the Resulting Company 1 or its shareholders and as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, as may be applicable, and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/ approval also to the conversion, issue and allotment of RPS Converted Equity Shares.

31. REDUCTION AND CANCELLATION OF RPS CONVERTED EQUITY SHARES

31.1 Immediately upon issuance and allotment of the RPS Converted Equity Shares, the RPS Converted Equity Shares shall stand cancelled, extinguished and annulled on and from the Effective Date and the paid up capital of the Resulting Company 1 to that effect shall stand cancelled and reduced, which shall be regarded as reduction of share capital of the Resulting Company 1, pursuant to Section 100 of the Act as also any other applicable provisions of the Act.

31.2 The reduction of the share capital of the Resulting Company 1 shall be effected as an integral part of this Scheme itself, without having to follow the process under Sections 100 to 103 of the Act separately, and the order of the High Court sanctioning this Scheme shall be deemed to be an order under section 102 of the Act confirming the reduction. Notwithstanding the reduction of issued, subscribed and paid up equity share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.



- 31.3 On effecting the reduction of the RPS Converted Equity Shares, the share certificates in respect of the RPS Converted Equity Shares held by their respective holders shall also be deemed to have been cancelled.

32. ACCOUNTING BY THE RESULTING COMPANY 1

- 32.1 On the Effective Date, Resulting Company 1 shall credit its share capital account in its books of account with the aggregate face value of the RPS Converted Equity Shares. The excess, if any, of the value of the Resulting Company 1 RPS over the face value of RPS Converted Equity Shares issued by the Resulting Company 1 shall be recorded in the securities premium account in the books of Resulting Company 1.
- 32.2 The capital reserve in the books of the Resulting Company 1 shall be increased to the extent of the amount of equity shares of the Resulting Company 1 cancelled as per Clause 31.

PART V

REORGANISATION OF RESULTING COMPANY 1 SHAREHOLDER LOANS

33. CONVERSION OF RESULTING COMPANY 1 SHAREHOLDER LOANS

- 33.1 Subject to the approval of the Reserve Bank of India and such other Permits as may be required, upon this Scheme coming into effect: (a) the Resulting Company 1 Shareholder Loans shall be converted to 26,254,046,862 (Twenty six billion two hundred fifty four million forty six thousand and eight hundred sixty two) equity shares (being the SHL Converted Equity Shares); and (b) such other loans that may have been brought towards satisfying the interim funding requirements of the Resulting Companies in accordance with Applicable Laws, shall, without further act or deed be converted at par into fully paid up equity shares of INR 10 each of the Resulting Company 1.
- 33.2 The SHL Converted Equity Shares or such other number shares issued pursuant to Clause 33.1(b) shall be subject to the provisions of the memorandum and articles of association of the Resulting Company 1, and shall rank *pari-passu* in all respects with the then existing equity shares of the Resulting Company 1, after the Effective Date including with respect to dividend, bonus entitlement, rights' shares' entitlement, voting rights and other corporate benefits.
- 33.3 The issue and allotment of the SHL Converted Equity Shares or such other number shares issued pursuant to Clause 33.1(b) is an integral part hereof and shall be deemed to have been carried out without requiring any further act on the part of the Resulting Company 1 SHL Lender or the Resulting Company 1 or their shareholders and as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, as may be applicable, and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company 1 to this Scheme, shall be deemed to be their consent/ approval also to the conversion, issue and allotment of SHL Converted Equity Shares and such other number shares issued pursuant to Clause 33.1(b).

34. REDUCTION AND CANCELLATION OF SHL CONVERTED EQUITY SHARES

- 34.1 Immediately upon issuance and allotment of the SHL Converted Equity Shares and shares issued under Clause 33.1(b) above and immediately after giving effect to the reductions and cancellation of shares under Clause 31 above, 10,550,624,970 (ten billion five hundred and fifty million six hundred and twenty four thousand nine hundred and seventy) fully paid up

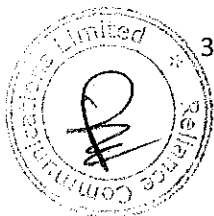
equity shares or such other higher number of fully paid up equity shares of the Resulting Company 1 from the SHL Converted Equity Shares, for maintaining an optimum capital structure as stated in Clause 19.5 above, shall stand cancelled, extinguished and annulled on and from the Effective Date and the paid capital of the Resulting Company 1 to that effect shall stand cancelled and reduced, which shall be regarded as reduction of share capital of the Resulting Company 1, pursuant to Section 100 of the Act as also any other applicable provisions of the Act. For the avoidance of doubt, it is clarified that equity shares reduced under this clause does not include equity shares converted from the Indian Rupee denominated bonds.

- 34.2 The reduction of the share capital of the Resulting Company 1 shall be effected as an integral part of this Scheme itself, without having to follow the process under Sections 100 to 103 of the Act separately, and the order of the High Court sanctioning this Scheme shall be deemed to be an order under section 102 of the Act confirming the reduction. Notwithstanding the reduction of issued, subscribed and paid up equity share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.
- 34.3 On effecting the reduction of the share capital as stated in Clause 34.1 above, the share certificates in respect of such Equity Shares held by their respective holders shall also be deemed to have been cancelled.
35. **ACCOUNTING BY THE RESULTING COMPANY 1**
- 35.1 On the Effective Date, Resulting Company 1 shall credit its share capital account in its books of account with the aggregate face value of the SHL Converted Equity Shares. The excess, if any, of the value of the Resulting Company 1 Shareholders Loan over the face value of SHL Converted Equity Shares issued by the Resulting Company 1 shall be recorded in the securities premium account in the books of Resulting Company 1.
- 35.2 The capital reserve in the books of the Resulting Company 1 shall be increased to the extent of the amount of equity shares of the Resulting Company 1 cancelled as per Clause 34.

PART VI

REDUCTION AND REORGANISATION OF SHARE CAPITAL OF TRANSFEROR COMPANY 1

36. **REDUCTION OF TRANSFEROR COMPANY 1 RPS**
- 36.1 Notwithstanding anything contained in this Scheme and independent of other Parts of this Scheme, the Transferor Company 1 RPS issued by Transferor Company 1 to Transferor Company 2 (i.e. all the 1,644,594,517 (one billion six hundred and forty four million five hundred and ninety four thousand five hundred and seventeen) redeemable cumulative non-convertible preference shares of INR 10 each), shall stand cancelled, extinguished and annulled on and from the Effective Date without any consideration and the paid up preference share capital of the Transferor Company 1 shall stand cancelled and extinguished, which shall be regarded as reduction of share capital of the Transferor Company 1, pursuant to section 100 of the Act as also any other applicable provisions of the Act.
- 36.2 The reduction of the share capital of the Transferor Company 1 shall be effected as an integral part of this Scheme itself, without having to follow the process under Sections 100 to 103 of the Act separately and the order of the High Court sanctioning this Scheme shall be deemed to be an order under section 102 of the Act confirming the reduction.



- 36.3 On effecting the reduction of the preference share capital as stated in Clause 36.1 above, the share certificates in respect of Transferor Company 1 RPS held by their respective holders shall also be deemed to have been cancelled.
- 36.4 It is clarified that upon the Scheme becoming effective, the reduction of the Transferor Company 1 RPS as stated above shall precede all other actions proposed under this Scheme.
- 36.5 The capital reserve in the books of the Transferor Company 1 shall be increased to the extent of the amount of redeemable cumulative non-convertible preference shares of the Transferor Company 1 cancelled as per Clause 36.1.

PART VII

GENERAL TERMS & CONDITIONS

37. INCREASE IN AUTHORISED SHARE CAPITAL OF THE RESULTING COMPANIES

- 37.1 Upon this Scheme becoming effective, the authorised share capital of the Resulting Company 1 and Resulting Company 2 will automatically stand increased to INR 750,000,000,000 (Rupees seven hundred and fifty billion) and INR 85,000,000,000 (Rupees eighty five billion) respectively by simply filing the requisite forms with the Appropriate Authority and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.

37.2 Consequently:

- 37.2.1 the Memorandum of Association of the Resulting Company 1 shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Companies Act 2013 and Section 394 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013, as the case may be, and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs 75,000,00,00,000 (Rupees Seventy five thousand crore) divided into 7500,00,00,000 (Seven thousand five hundred crore) Equity Shares of Rs 10/- (Rupees Ten only) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

- 37.2.2 the Memorandum of Association of the Resulting Company 2 shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Companies Act 2013 and Section 394 and other applicable provisions of the Companies Act, 1956 and Companies Act, 2013, as the case may be, and be replaced by the following clause:

"The Authorised Share Capital of the Company is Rs 8,500,00,00,000 (Rupees Eight thousand five hundred crore) divided into 650,00,00,000 (Six hundred fifty crore) Equity Shares of Rs 10/- (Rupees Ten only) and 200,00,00,000 (two hundred crore) Preference Shares of Rs 10/- (Rupees Ten only) each with power to increase and

reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

- 37.3 It is clarified that the approval of the members of the Resulting Companies to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of the Memorandum of Association of the Resulting Companies and the Resulting Companies shall not be required to seek separate consent/ approval of their respective shareholders for such alteration of the Memorandum of Association of the Resulting Company 1 as required under Sections 13, 14, 61, 62 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the applicable provision of the Companies Act, 1956.

38. BUSINESS UNTILL EFFECTIVE DATE

- 38.1 With effect from date when the Boards of each of the Demerged Companies and the Resulting Companies approve this Scheme and up to and including the Effective Date, each of the Demerged Companies shall:

38.1.1 take reasonable steps to preserve and protect the Demerged Undertakings and not to dispose of any of the Identified Assets save in the ordinary and usual course of business; and

38.1.2 notify the Resulting Companies in writing, as soon as reasonably practicable, of any matter, circumstance, act or omission which is or may be a breach of this Clause 37.

- 38.2 The Demerged Companies and the Resulting Companies shall make necessary applications before the High Courts for the sanction of this Scheme under Sections 391 and 394 of the Act. The Demerged Companies and the Resulting Companies may in due course apply for one or more orders under Section 394 of the Act for vesting of the Demerged Undertakings under this Scheme.

- 38.3 With effect from date when the Board of each of the Transferor Companies and the Transferee Company approve this Scheme and up to and including the Effective Date, each of the Transferor Companies shall:

38.3.1 take reasonable steps to preserve and protect the Undertakings of the Transferor Companies and not to dispose of any of the assets of the Transferor Companies save in the ordinary and usual course of business;

38.3.2 notify the Transferee Company and the Demerged Company 1 in writing the existing management reports which the management of the Transferor Companies uses for business reviews at the same time as they are provided to the management of the Transferor Companies; and

38.3.3 notify the Transferee Company and the Demerged Company in writing as soon as reasonably practicable of any matter, circumstance, act or omission which is or may be a breach of this Clause 37.



The Transferor Companies and the Transferee Company shall make necessary applications before the High Courts for the sanction of this Scheme under Sections 391 and 394 of the Companies Act, 1956. The Transferor Companies and the Transferee Company may in due course apply for one or more orders under Section 394 of the Companies Act, 1956 for vesting of the Transferor Undertakings under this Scheme.

39. OTHER ISSUANCES OF EQUITY SHARES BY THE RESULTING COMPANIES

To enable the Resulting Company 1 and Resulting Company 2 to pay the liberalisation costs to the DoT to obtain the approval listed out in Clause 42.1.5, the Resulting Company 1 be and is hereby permitted to issue to each of GCSHL and the Demerged Company 1, equity shares of value aggregating to not more than the INR 37,050,000,000 (thirty seven billion fifty million) on the date of such issue of equity shares by the Resulting Company 1 in accordance with the provisions of the Act, memorandum of association and articles of association.

40. INDEMNITY

The Demerged Companies, the Resulting Companies and GCSHL have agreed to indemnify each other for certain events as provided in the Merger Agreement.

41. MODIFICATION OR AMENDMENTS TO THIS SCHEME

41.1 On behalf of each of the Transferor Companies, the Demerged Companies and the Resulting Companies, the Boards of the respective companies acting themselves or through authorized persons, may consent jointly but not individually, on behalf of all persons concerned, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the High Court or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by both of them (i.e. the Board of the Demerged Companies, the Board of the Resulting Companies and the Board of the Transferor Companies) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.

41.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of the Transferor Companies, the Demerged Companies and the Resulting Companies acting themselves or through authorized persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

42. CONDITIONS PRECEDENT

42.1 This Scheme is conditional on and subject to:

42.1.1 this Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Demerged Companies, Transferor Companies and Resulting Companies as required under Section 391 of the Act and other applicable provisions of the Act;

42.1.2 this Scheme having been approved by the High Court or the National Company Law Tribunal which has jurisdiction over the relevant parties thereto, either on the terms as originally approved by the relevant parties, or with or subject to such modifications



as the relevant parties may agree (and, to the extent required, the High Court or the National Company Law Tribunal, as the case may be, may have approved or be willing to approve);

- 42.1.3 The Demerged Company 1 having received a "no adverse objection letter" from the Stock Exchanges for the demerger and transfer of the Demerged Undertakings from the Demerged Companies to the Resulting Companies, other arrangement as set out in this Scheme and the Merger Agreement and as required under Applicable Law, such no-objection letter to be in form and substance acceptable to the Demerged Company 1 and the Resulting Company 1, both acting reasonably;
- 42.1.4 pursuant to the provisions of the Competition Act: (i) the Competition Commission of India ("CCI") (or any appellate authority in India which has appropriate jurisdiction) having granted approval (or being deemed, under Applicable Law, to have granted approval) for the Transactions set out in this Scheme and the Merger Agreement, such approval to be in form and substance acceptable to both the Demerged Company 1 and the Resulting Company 1, both acting reasonably; and any conditions contained in such approval (or deemed approval) that are required to be satisfied at any time prior to the Effective Date having been so satisfied (or, where applicable, waived);
- 42.1.5 (a) the written approvals from the DoT with respect to the transactions contemplated under this Scheme and other Transaction Documents (including the Merger Agreement), having been received, such approvals to be in form and substance acceptable to both Demerged Company 1 and Resulting Company 1, both acting reasonably, and any conditions contained in such approvals that are required to be satisfied on the Effective Date having been so satisfied (or, where applicable, waived) other than any condition relating to the payment of demands or charges set out in such written approvals (including but not limited to the Liberalisation Costs) and any other conditions which by their nature are capable of satisfaction only on or immediately prior to Effective Date; (b) any demands or charges (other than Liberalisation Costs) required to be paid by the terms of the written approvals referred to in Clause 42.1.5(a) having been paid in accordance with Applicable Law, by the Party stated as being responsible for such demands or charges under such written approvals, immediately prior to Effective Date (or such other time as may be required by such approvals) in accordance with the terms thereof; and (c) any demands or charges in relation to the Liberalisation Costs required to be paid by the terms of the written approvals referred to in Clause 42.1.5(a) having been paid by Resulting Company 1 and/or Resulting Company 2 immediately prior to Effective Date (or such other time as may be required by such approvals) in accordance with the terms thereof;
- 42.1.6 the certified/authenticated copies of the orders of the High Court sanctioning this Scheme having been filed with the Registrar of Companies having jurisdiction, if and to the extent that such orders do not contain a dispensation allowing for them to be filed with the Registrar of Companies after the Effective Date;
- 42.1.7 each of the Demerged Undertakings, New Holdco and the Transferred Subsidiaries having obtained all consents, approvals and waivers from their respective lenders (including potential lenders under undrawn facilities) and from the lenders identified in the Merger Agreement in a form and substance acceptable, to both Demerged Company 1 and Resulting Company 1, both acting reasonably;



- 42.1.8 each of the Resulting Companies having obtained all consents, approvals and waivers from their respective lenders (including potential lenders under undrawn facilities) and from the lenders identified in the Merger Agreement in a form and substance acceptable, to both Demerged Company 1 and Resulting Company 1, both acting reasonably;
- 42.1.9 SSTL Scheme becoming effective in accordance with the terms thereof;
- 42.1.10 The New Credit Facility and the Fund Flow Agreement being executed in the manner set out in the Merger Agreement and the satisfaction of any conditions set out in the New Credit Facility or the Fund Flow Agreement, which are required to be satisfied before this Scheme becoming effective, in the manner specified therein or in the Merger Agreement;
- 42.1.11 mandatory regulatory approvals that are required for the transfer of the shares in New Holdco to Resulting Company 1 on and subject to the terms of this Merger Agreement and this Scheme having been obtained from: (a) the Committee on Foreign Investment in the United States and the Federal Communications Commission of the United States; and (b) the Reserve Bank of India separately in respect of: (i) Demerged Companies' transfer of shares in New Holdco to Resulting Company 1; and (ii) Resulting Company 1's acquisition of the shares in New Holdco from Demerged Company 1; in each case on terms and subject to conditions acceptable to both Demerged Company 1 and Resulting Company 1, both acting reasonably and (in each case) any conditions contained in such approvals that are required to be satisfied at any time prior to the Effective Date having been so satisfied (or, where applicable, waived);
- 42.1.12 the New Holdco Reorganisation having been completed;
- 42.1.13 the lenders under the New Credit Facility having credited at least INR 28,000 crore (in aggregate) to an escrow account in anticipation of occurrence of Effective Date and in accordance with the Funds Flow Agreement, such escrow account to be with an escrow agent acceptable to the relevant Parties and other relevant persons;
- 42.1.14 mandatory approvals that are required for the conversion of the Resulting Company 1 Shareholder Loans and the Resulting Company 1 RPS on and subject to the terms of the Merger Agreement and this Scheme having been received from the Reserve Bank of India, in the manner set out in the Merger Agreement;
- 42.1.15 there having been no Demerged Company Material Adverse Change or Resulting Company Material Adverse Change;
- 42.1.16 there having been no change in Applicable Law (including any change in interpretation of Applicable Law by any relevant Appropriate Authority) or ruling, decree or direction by any Appropriate Authority until the Effective Date which would prohibit or make unlawful, the performance by any Party (or its respective Affiliates) of its (or their) material obligations;
- 42.1.17 the Demerged Companies' Scheme having become effective (in accordance with the provisions of the Demerged Companies' Scheme);

42.1.18 Issue of the RCOM CP Satisfaction Notices by Demerged Company 1 confirming satisfaction (or, where applicable, waiver) of all the Conditions Precedent to be fulfilled by Demerged Company 1 in accordance with the Merger Agreement.

42.1.19 Issue of the Aircel CP Satisfaction Notices by Resulting Company 1 confirming satisfaction (or, where applicable, waiver) of all the Conditions Precedent to be fulfilled by Resulting Company 1 in accordance with the Merger Agreement.

42.2 The effectiveness of this Scheme shall be subject to the satisfaction or waiver (if capable of waiver) of the Conditions Precedent, at or prior to the Effective Date, or such other date as is mentioned above in Clause 42.1.

42.3 It is hereby clarified that submission of this Scheme to the High Court and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Demerged Companies, the Transferor Companies and/ or the Resulting Companies may have under or pursuant to all Applicable Laws.

42.4 On the approval of this Scheme by the shareholders and the creditors of the Demerged Companies, the Transferor Companies and the Resulting Companies such shareholders and creditors shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

43. EFFECT OF NON-RECEIPT OF PERMITS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME

43.1 The Demerged Companies (acting jointly but not separately) and/ or the Resulting Companies and the Transferor Companies (all of the Resulting Companies and the Transferor Companies acting jointly but not separately) acting through their respective Board shall each be at liberty to withdraw this Scheme, in the event of expiry or termination of the Merger Agreement.

43.2 If this Scheme is not effective on or before 30 September 2017 or within such further period or periods as may be agreed upon between the Demerged Companies and the Resulting Companies through their respective Boards or its authorized representative, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and / or in connection with this Scheme.

43.3 In the event of revocation/ withdrawal under Clause 43.1 or Clause 43.2 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Demerged Companies, the Transferor Companies and the Resulting Companies or their respective shareholders or creditors or employees or any other person save and except as provided in the Merger Agreement.

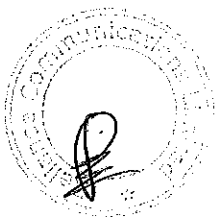
44. COSTS AND TAXES

44.1 Stamp duty on the orders of the High Courts or the National Company Law Tribunal, as applicable, and on the issuance of shares as set out in this Scheme, if any, and to the extent applicable, shall be borne and paid by the Resulting Company 1.

44.2 The Demerged Companies, the shareholders of the Transferor Company and the Transferee Company should independently assess the tax consequences of this Scheme and obtain independent advice on this issue.



- 44.3 Neither of the Resulting Companies, Demerged Companies, the Transferor Companies are providing any advice or indication regarding the tax implications in the hands of the respective shareholders.



**SCHEDULE 1
ASSETS AND LIABILITIES**

PART 1 | ASSETS

PART A | IDENTIFIED ASSETS 1

The following assets relating to Demerged Undertaking 1:

- a. Telecom equipment centralised or decentralised pertaining to 2nd, 3rd and 4th generation of wireless telecommunications technology (excluding CDMA), Radio Access Network, microwave network equipment, Mobile Switching Centre/Global System for Mobile Communication (Including Home Location Register, HSS & Intelligent Network), Media Gateway, Base Station Controller, Radio Network Controllers, NMS Servers, Signal transfer Point, Packet Core nodes, Policy and Charging Rules Function, Short Message Service Centre, Short Messaging Service aggregator, Lawful Interception servers, CRBT, MCA, Unstructured Supplementary Service Data, mobile switching centre, Consent gateway, DSTK, Mobile Internet Gateway, Internet gateway, other VAS nodes, IP assets (L2/L3 switches, firewall, routers), SBC, CCT assets etc and electronics of Media Convergence Node other than Dense Wavelength Division Multiplexing & Synchronous Digital Hierarchy;
- b. Media Gateway and Media Gateway Controller associated with National Long Distance voice;
- c. Equipment pertaining to 5 gateways ILT switch in Mumbai, Delhi, Kolkata, Chennai and Ernakulam (excluding land and building);
- d. All assets of New Holdco and the Transferred Subsidiaries including 4 International POP locations – Hong Kong, New York, Los Angeles, London;
- e. Equipments pertaining to MCN locations with complete passive infrastructure including DG sets, AMF panel, Distribution panels, Transformers, PAC, AC, False floor, IBMS, SMPS, Battery Banks, UPS, UPS batteries and electrical Cables etc (excluding land and building);
- f. All spare equipment modules and consumables available at warehouses and/or any network facility related to above list of equipments/nodes;
- g. All end-user equipment used by staff (insourced or outsourced) moving from Demerged Company 1 to Resulting Company 1 including handsets, dongles/MiFi devices and laptop & desktop computers (other than those provided as services under the Office Services agreement).
- h. The equipment (excluding CDMA-specific equipment) on operational and non-operational sites/ circles, and equipment de-installed from operational and non -operational sites and circles presently stored in the warehouses;
- i. All telecom licenses as set out in Annexure A of this Schedule 1;
- j. All rights to use spectrum as set out in Annexure A of this Schedule 1, including the frequency and microwave spots (pertaining to liberalised and non-liberalised spectrum) Disclosed in Annexure 10E(7) and Annexure 10E(10) to the RCOM Execution Disclosure Letter, and RCOM Completion Disclosure Letter, as applicable;



- k. Available CENVAT credit on the Completion Date to Demerged Company 1 relating to Demerged Undertaking 1;
- l. RCOM Wireless Business IPR;
- m. Working capital assets including but not limited to advances, deposits, receivables etc., set out in the RCOM Completion Date Accounts;
- n. All assets (including network assets) set out in the fixed assets register and Capital work in Progress (CWIP) disclosed as part of the RCOM Completion Date Accounts;
- o. SSTL Assets pertaining to SSTL Business 1, limited only to spectrum as detailed in Annexure E of this Schedule and also microwave supporting microwave frequencies as detailed in Annexure 10E(11) of the RCOM Execution Disclosure Letter allocated to or being transferred to Aircel and their associated NMS, software and licenses, but excluding CDMA specific assets;
- p. All test, monitoring, operations, management equipment, tools and systems associated with the networks being transferred; and
- q. Where not included in paragraphs (a) to (p) above, assets relating to Demerged Undertaking 1 accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts, including all assets being used in conduct of the Demerged Undertaking 1 and/or in possession of any third parties under any contract or otherwise.

PART B | IDENTIFIED ASSETS 2

The following assets relating to Demerged Undertaking 2:

- a. Telecom equipment centralised or decentralised pertaining to 2nd, 3rd and 4th generation of wireless telecommunications technology (excluding CDMA), Radio Access Network microwave network equipment, Mobile Switching Centre/Global System for Mobile Communication (Including Home Location Register, HSS & Intelligent Network), Media Gateway, Base Station Controller, Signal transfer Point, Radio Network Controllers, NMS Servers, Packet Core nodes, Policy and Charging Rules Function, Short Message Service Centre, Short Messaging Service aggregator, Lawful Interception servers, CRBT, MCA, Unstructured Supplementary Service Data, mobile switching centre, Consent gateway, DSTK, Mobile Internet Gateway, Internet gateway, other VAS nodes, IP assets (L2/L3 switches, firewall, routers), SBC, CCT assets etc and electronics of Media Convergence Node other than Dense Wavelength Division Multiplexing & Synchronous Digital Hierarchy;
- b. Media Gateway and Media Gateway Controller associated with National Long Distance voice;
- c. Equipments pertaining to MCN locations with complete passive infrastructure including DG sets, AMF panel, Distribution panels, Transformers, PAC, AC, False floor, IBMS, SMPS, Battery Banks, UPS, UPS batteries and electrical Cables etc. (excluding land and building);
- d. All spare equipment modules and consumables available at warehouses and/or any network facility related to above list of equipments/nodes;
- e. All end-user equipment used by staff (insourced or outsourced) moving from Demerged Company 1 to Resulting Company 2 including handsets, dongles/MiFi devices and laptop &

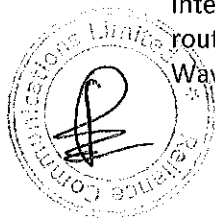
desktop computers (other than those provided as services under the Office Services agreement).

- f. The equipment (excluding CDMA-specific equipment) on operational and non-operational sites/circles, and equipment de-installed from operational and non-operational sites and circles presently stored in the warehouses;
- g. All telecom licenses as set out in Annexure B of this Schedule 1;
- h. All rights to use spectrum as set out in Annexure B of this Schedule 1, including the frequency and microwave spots (pertaining to liberalised and non-liberalised spectrum) Disclosed in Annexure 10E(7) and Annexure 10E(10) to the RCOM Execution Disclosure Letter, and the RCOM Completion Disclosure Letter, as applicable;
- i. Available CENVAT credit on the Completion Date to Demerged Company 1 relating to Demerged Undertaking 2;
- j. Working capital assets including but not limited to advances, deposits, receivables etc., set out in RCOM Completion Date Accounts;
- k. All assets (including network assets) set out in the fixed assets register and CWIP disclosed as part of the RCOM Completion Date Accounts;
- l. SSTL Assets pertaining to SSTL Business 2, limited only to spectrum as detailed in Annexure F of this Schedule and also microwave supporting microwave frequencies as detailed in Annexure 10E(11) of the RCOM Execution Disclosure Letter allocated to or being transferred to Aircel and their associated NMS, software and licenses, but excluding CDMA specific assets;
- m. All test, monitoring, operations, management equipment, tools and systems associated with the networks being transferred; and
- n. Where not included in paragraphs (a) to (m) above, assets relating to Demerged Undertaking 2 accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts, all assets being used in conduct of the Demerged Undertaking 2 and/or in possession of any third parties under any contract or otherwise.

PART C | IDENTIFIED ASSETS 3

The following assets relating to Demerged Undertaking 3:

- a. Telecom equipment centralised or decentralised pertaining to 2nd, 3rd and 4th generation of wireless telecommunications technology (excluding CDMA), Radio Access Network, microwave network equipment, Mobile Switching Centre/Global System for Mobile Communication (Including Home Location Register, HSS & Intelligent Network), Media Gateway, Base Station Controller, Signal transfer Point Radio Network Controllers, NMS Servers, Packet Core nodes, Policy and Charging Rules Function, Short Message Service Centre, Short Messaging Service aggregator, Lawful Interception servers, CRBT, MCA, Unstructured Supplementary Service Data, mobile switching centre, Consent gateway, DSTK, Mobile Internet Gateway, Internet gateway, other VAS nodes, IP assets (L2/L3 switches, firewall, routers), SBC, CCT assets etc and electronics of Media Convergence Node other than Dense Wavelength Division Multiplexing & Synchronous Digital Hierarchy;



- b. Media Gateway and Media Gateway Controller associated with National Long Distance voice;
- c. Equipments pertaining to MCN locations with complete passive infrastructure including DG sets, AMF panel, Distribution panels, Transformers, PAC, AC, False floor, IBMS, SMPS, Battery Banks, UPS, UPS batteries and electrical Cables etc (excluding land and building).
- d. All spare equipment modules and consumables available at warehouses and/or any network facility related to above list of equipments/nodes;
- e. All end-user equipment used by staff (insourced or outsourced) moving from Demerged Company 2 to Resulting Company 2 including handsets, dongles/MiFi devices and laptop & desktop computers (other than those provided as services under the Office Services agreement).
- f. The equipment (excluding CDMA-specific equipment) on operational and non-operational sites/circles, and equipment de-installed from operational and non-operational sites and circles presently stored in the warehouses;
- g. All telecom licenses as set out in Annexure C of this Schedule 1;
- h. All rights to use spectrum as set out in Annexure C of this Schedule 1, including the frequency and microwave spots (pertaining to liberalised and non-liberalised spectrum) Disclosed in Annexure 10E(7) and Annexure 10E(10) to the RCOM Execution Disclosure Letter, and the RCOM Completion Disclosure Letter, as applicable;
- i. Available CENVAT credit on the Completion Date to Demerged Company 2 relating to Demerged Undertaking 3;
- j. RTL Wireless Business IPR;
- k. Working capital assets including but not limited to advances, deposits, receivables etc., set out in the RCOM Completion Date Accounts;
- l. All assets (including network assets) set out in the fixed assets register and CWIP, disclosed as part of the RCOM Completion Date Accounts;
- m. All test, monitoring, operations, management equipment, tools and systems associated with the networks being transferred; and
- n. Where not included in paragraphs (a) to (m) above, assets relating to Demerged Undertaking 3 accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts, including all assets being used in conduct of the Demerged Undertaking 3 and/or in possession of any third parties under any contract or otherwise.

PART D | IDENTIFIED ASSETS 3 CARVED OUT

The following assets relating to Demerged Carved Out Undertaking:

- a. Telecom equipment centralised or decentralised pertaining to 2nd, 3rd and 4th generation of wireless telecommunications technology (excluding CDMA), Radio Access Network, microwave network equipment, Mobile Switching Centre/Global System for Mobile Communication (Including Home Location Register, HSS & Intelligent Network), Media

Gateway, Base Station Controller, Signal transfer Point, Packet Core nodes, Policy and Charging Rules Function, Short Message Service Centre, Short Messaging Service aggregator, Lawful Interception servers, CRBT, MCA, Unstructured Supplementary Service Data, mobile switching centre, Consent gateway, DSTK, Mobile Internet Gateway, Internet gateway, other VAS nodes, IP assets (L2/L3 switches, firewall, routers), SBC, CCT assets etc and electronics of Media Convergence Node other than Dense Wavelength Division Multiplexing & Synchronous Digital Hierarchy;

- b. Media Gateway and Media Gateway Controller associated with National Long Distance voice;
- c. Equipments pertaining to MCN locations with complete passive infrastructure including DG sets, AMF panel, Distribution panels, Transformers, PAC, AC, False floor, IBMS, SMPS, Battery Banks, UPS, UPS batteries and electrical Cables etc. (excluding land and building);
- d. All spare equipment modules and consumables available at warehouses and/or any network facility related to above list of equipments/nodes;
- e. All end-user equipment used by staff (insourced or outsourced) moving from RTL to Aircel including handsets, dongles/MiFi devices and laptop & desktop computers (other than those provided as services under the Office Services agreement).
- f. The equipment (excluding CDMA-specific equipment) on operational and non-operational sites/circles, and equipment de-installed from operational and non-operational sites and circles presently stored in the warehouses;
- g. All telecom licenses as set out in Annexure D of this Schedule 1;
- h. All rights to use spectrum as set out in Annexure D of this Schedule 1, including the frequency and microwave spots (pertaining to liberalised and non-liberalised spectrum) Disclosed in Annexure 10E(7) and Annexure 10E(10) to the RCOM Execution Disclosure Letter, and the RCOM Completion Disclosure Letter, as applicable;
- i. Available CENVAT credit on the Completion Date of Demerged Company 2 relating to Demerged Carved Out Undertaking; and
- j. Working capital assets including but not limited to advances, deposits, receivables etc., set out in the RCOM Completion Date Accounts;
- k. All assets (including network assets) set out in the fixed assets register and CWIP disclosed as part of the RCOM Completion Date Accounts;
- l. All test, monitoring, operations, management equipment, tools and systems associated with the networks being transferred; and
- m. Where not included in paragraphs (a) to (l) above, assets relating to the Demerged Carved Out Undertaking accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts, including all assets being used in conduct of the Demerged Carved Out Undertaking and/or in possession of any third parties under any contract or otherwise.



PART 2 | LIABILITIES

PART A | IDENTIFIED LIABILITIES 1

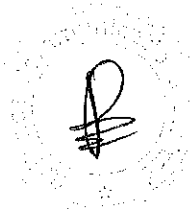
The following liabilities relating to Demerged Undertaking 1:

- a. Deferred spectrum payment obligations (including interest accrued but not due) relating to the 2013, 2014 and 2015 spectrum auctions conducted by Department of Telecommunications, Ministry of Communications & Information Technology, Government of India, to the extent they form part of RCOM Regulatory Liabilities;
- b. Only such SSTL Liabilities pertaining specifically to only those SSTL Assets being transferred under SSTL Business 1 under this Schedule, and for the avoidance of doubt, excluding those relating to the shutdown and/or exit of the SSTL CDMA business, including any site tenancy lease termination costs;
- c. RCOM Regulatory Liabilities to the extent Disclosed or unknown at the Execution Date;
- d. RCOM Indirect Tax Liabilities to the extent Disclosed or unknown at the Execution Date
- e. RCOM Third Party Liabilities, to the extent Disclosed at the Execution Date, excluding those arising from sites in the circles of Assam, North East, Bihar, West Bengal and Orissa no longer radiating due to loss of 900Mhz spectrum and/or the shutdown and/or exit of those sites, including any site tenancy lease termination costs;
- f. Liabilities arising from or relating to the Identified Litigations;
- g. RCOM Assumed Debt;
- h. Working capital liabilities reflected in the RCOM Completion Date Accounts, as adjusted in accordance with the Merger Agreement;
- i. Where not included in paragraphs (a) to (h) above, liabilities relating to Demerged Undertaking 1 accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts, provided no such liability is either not an Excluded Liability or not specifically excluded in this Schedule 1.

PART B | IDENTIFIED LIABILITIES 2

The following liabilities relating to Demerged Undertaking 2:

- a. Deferred spectrum payment obligations (including interest accrued but not due) relating to the 2013, 2014 and 2015 spectrum auctions conducted by Department of Telecommunications, Ministry of Communications & Information Technology, Government of India, to the extent they form part of RCOM Regulatory Liabilities;
- b. Only such SSTL Liabilities pertaining specifically to only those SSTL Assets being transferred under SSTL Business 2 under this Schedule, and for the avoidance of doubt, excluding those relating to the shutdown and/or exit of the SSTL CDMA business, including any site tenancy lease termination costs;
- c. RCOM Regulatory Liabilities to the extent Disclosed or unknown at the Execution Date;



- d. RCOM Indirect Tax Liabilities, to the extent Disclosed or unknown at the Execution Date;
- e. RCOM Third Party Liabilities, to the extent Disclosed at the Execution Date, excluding those arising from sites in the circles of Assam, North East, Bihar, West Bengal and Orissa no longer radiating due to loss of 900Mhz spectrum and/or the shutdown and/or exit of those sites, including any site tenancy lease termination costs;
- f. Liabilities arising from or relating to the Identified Litigations;
- g. Working capital liabilities reflected in the RCOM Completion Date Accounts, as adjusted in accordance with the Merger Agreement;
- h. Where not included in paragraphs (a) to (g) above, liabilities relating to Demerged Undertaking 2 accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts, provided no such liability is either not an Excluded Liability or not specifically excluded in this Schedule 1.

PART C | IDENTIFIED LIABILITIES 3

The following liabilities relating to Demerged Undertaking 3:

- a. Deferred spectrum payment obligations (including interest accrued but not due) relating to the 2013, 2014 and 2015 spectrum auctions conducted by Department of Telecommunications, Ministry of Communications & Information Technology, Government of India, to the extent they form part of RCOM Regulatory Liabilities;
- b. RCOM Regulatory Liabilities to the extent Disclosed or unknown at the Execution Date;
- c. RCOM Indirect Tax Liabilities to the extent Disclosed or unknown at the Execution Date;
- d. RCOM Third Party Liabilities to the extent Disclosed at the Execution Date, excluding those arising from sites in the circles of Assam, North East, Bihar, West Bengal and Orissa no longer radiating due to loss of 900Mhz spectrum and/or the shutdown and/or exit of those sites, including any site tenancy lease termination costs;
- e. Liabilities arising from or relating to the Identified Litigations;
- f. Working capital liabilities reflected in the RCOM Completion Date Accounts, as adjusted in accordance with the Merger Agreement; and
- g. Where not included in paragraphs (a) to (f) above, liabilities relating to the Demerged Undertaking 3 accounted for (but not necessarily expressly listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts provided no such liability is either not an Excluded Liability or not specifically excluded in this Schedule 1.

PART D | IDENTIFIED LIABILITIES 3 CARVED OUT

The following liabilities relating to Demerged Carved Out Undertaking:

- a. Deferred spectrum payment obligations (including interest accrued but not due) relating to the 2013, 2014 and 2015 spectrum auctions conducted by Department of Telecommunications, Ministry of Communications & Information Technology, Government of India, to the extent they form part of RCOM Regulatory Liabilities;



- b. RCOM Regulatory Liabilities to the extent Disclosed or unknown at the Execution Date;
- c. RCOM Indirect Tax Liabilities to the extent Disclosed or unknown at the Execution Date;
- d. RCOM Third Party Liabilities to the extent Disclosed at the Execution Date, excluding those arising from sites in the circles of Assam, North East, Bihar, West Bengal and Orissa no longer radiating due to loss of 900Mhz spectrum and/or the shutdown and/or exit of those sites, including any site tenancy lease termination costs;
- e. Working capital liabilities reflected in the RCOM Completion Date Accounts, as adjusted in accordance with the Merger Agreement;
- f. Liabilities arising from or relating to the Identified Litigations;
- g. Where not included in paragraphs (a) to (f) above, liabilities relating to the Demerged Carved Out Undertaking accounted for (but not necessarily specifically listed) in the Accounts, the RCOM Measurement Date Accounts or the RCOM Completion Date Accounts provided no such liability is either not an Excluded Liability or not specifically excluded in this Schedule 1.



ANNEXURE A | DEMERGED UNDERTAKING 1 LICENSES

<p align="center">Reliance Communications Limited The validity of the Licenses is 20 years.</p> <p align="center">UASL License Agreements(Access)</p>					
Sr. No.	Service Area	License No.	Date of Agreement	Effective Date of Agreement	Valid Upto
1.	ANDHRA PRADESH	10-02/2004-BS-II/RIL/A.P.	14-Nov-03	20-Jul-01	19-Jul-21
2.	DELHI	10-21/2004-BS-II/RIL/DELHI	14-Nov-03	20-Jul-01	19-Jul-21
3.	GUJARAT	10-05/2004-BS-II/RIL/GUJARAT	14-Nov-03	30-Sep-97	29-Sep-17
4.	KARNATAKA	10-09/2004-BS-II/RIL/KARNATAKA	14-Nov-03	20-Jul-01	19-Jul-21
5.	MAHARASHTRA	10-12/2004-BS-II/RIL/MAHARASHTRA	14-Nov-03	20-Jul-01	19-Jul-21
6.	MUMBAI	10-23/2004-BS-II/RIL/MUMBAI	14-Nov-03	20-Jul-01	19-Jul-21
7.	RAJASTHAN	10-16/2004-BS-II/RIL/RAJASTHAN	14-Nov-03	20-Jul-01	19-Jul-21
8.	TAMILNADU (Incl.Chennai)	10-17/2004-BS-II/RIL/TAMILNADU	14-Nov-03	26-Sep-01	25-Sep-21

DETAILS OF SPECTRUM RELATING TO DEMERGED UNDERTAKING 1											
Sr. No.	Circle	800 MHz - Liberalized		800 MHz - Auction		1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
1	Delhi	1.25 (875.550)	19-Jul-21			4.4 (1843.1 - 1847.5)	19-Jul-21			5 (2164-2169)	31-Aug-30
2	Mumbai	5 (883.53, 884.76, 885.99, 887.22)	19-Jul-21			4.4 (1843.3 - 1847.7)	19-Jul-21	0.6 (1828.1 - 1828.7)	07-Sep-34	5 (2149-2154)	31-Aug-30
3	Andhra Pradesh	1.25 (881.07)	19-Jul-21			4.4 (1846.3 - 1850.7)	19-Jul-21				
4	Gujarat			2.5 (882.60, 883.830)	27-May-35	4.4 (1839.3 - 1843.7)	29-Sep-17				
	Karnataka	1.25 (881.07)	19-Jul-21			4.4 (1838.5 - 1842.9)	19-Jul-21	0.6 (1830.1 - 1830.7)	26-May-35		

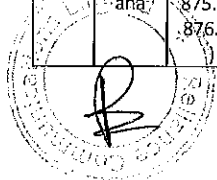
DETAILS OF SPECTRUM RELATING TO DEMERGED UNDERTAKING 1											
Sr. No.	Circle	800 MHz - Liberalized		800 MHz - Auction		1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
6	Maharashtra	1.25 (881.37)	19-Jul-21			4.4 (1838.1 - 1842.5)	19-Jul-21				
7	Tamil Nadu	1.25 (881.07)	25-Sep-21			4.4 (1805.2 - 1809.4)	25-Sep-21				
8	Rajasthan	1.25 (885.99)	19-Jul-21			4.4 (1855.5 - 1859.9)	19-Jul-21			5 (2149-2154)	31-Aug-30
		12.5		2.5		35.2		1.2		15	



ANNEXURE B | DEMERGED UNDERTAKING 2 LICENSES

<p align="center">Reliance Communications Limited The validity of the Licenses is 20 years. UASL License Agreements(Access)</p>					
Sr. No.	Service Area	License No.	Date of Agreement	Effective Date of Agreement	Valid Upto
1.	BIHAR	10-04/2004-BS-II/RIL/BIHAR	14-Nov-03	20-Jul-01	19-Jul-21
2.	HARYANA	10-06/2004-BS-II/RIL/HARYANA	14-Nov-03	20-Jul-01	19-Jul-21
3.	HIMACHAL PRADESH	10-07/2004-BS-II/RIL/H.P.	14-Nov-03	20-Jul-01	19-Jul-21
4.	JAMMU KASHMIR	20-208/2004-RELIANCE/BSIII	21-Sep-04	6-Sep-04	5-Sep-24
5.	KERALA	10-10/2004-BS-II/RIL/KERALA	14-Nov-03	20-Jul-01	19-Jul-21
6.	KOLKATA	10-22/2004-BS-II/RIL/KOLKATA	21-Nov-03	20-Jul-01	19-Jul-21
7.	MADHYA PRADESH	10-11/2004-BS-II/RIL/MADHYAPRADESH	14-Nov-03	20-Jul-01	19-Jul-21
8.	ORISSA	10-14/2004-BS-II/RIL/ORISSA	14-Nov-03	20-Jul-01	19-Jul-21
9.	PUNJAB	10-15/2004-BS-II/RIL/PUNJAB	14-Nov-03	20-Jul-01	19-Jul-21
10.	UTTAR PRADESH(EAST)	10-19/2004-BS-II/RIL/UP(E)	14-Nov-03	20-Jul-01	19-Jul-21
11.	UTTAR PRADESH(WEST)	10-18/2004-BS-II/RIL/UP(W)	14-Nov-03	20-Jul-01	19-Jul-21
12.	WEST BENGAL	10-01/2004-BS-II/RIL/WESTBENGAL	21-Nov-03	20-Jul-01	19-Jul-21

DETAILS OF SPECTRUM RELATING TO DEMERGED UNDERTAKING 2													
Sr. No.	Circle	800 MHz - Liberalized		800 MHz - Auction				1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
1	Kolkata			1.25 (882.9)	20-Dec-35								
2	Haryana	3.75 (874.32, 875.55, 876.78)	19-Jul-21	1.25 (873.09)	27-May-35			4.4 (183.9.7-1844.1)	19-Jul-21	0.6 (1828.7-1829.3)	26-May-35		



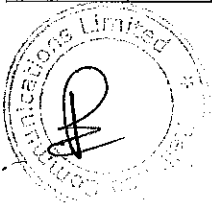
DETAILS OF SPECTRUM RELATING TO DEMERGED UNDERTAKING 2													
Sr. No.	Circle	800 MHz - Liberalized		800 MHz - Auction				1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
3	Kerala	1.25 (881.07)	19-Jul-21					4.4 (1853.7-1858.1)	19-Jul-21				
4	Madhya Pradesh	5 (881.07, 882.3, 883.53, 884.76)	19-Jul-21										
5	Punjab			1.25 (878.61)	20-Dec-35	1.25 (879.84)	27-May-35	4.4 (1840.5-1844.9)	19-Jul-21	0.6 (1822.5-1823.1)	26-May-35	5 (2154-2159)	31-Aug-30
6	Uttar Pradesh (East)	3.75 (875.55, 876.78, 878.01)	19-Jul-21					4.4 (1844.9-1849.3)	19-Jul-21				
7	Uttar Pradesh (West)			1.25 (880.47)	27-May-35			4.4 (1852.1-1856.5)	19-Jul-21				
8	West Bengal			1.25 (887.22)	27-May-35								
9	Bihar	5 (878.61, 879.84, 881.07, 882.3)	19-Jul-21										
10	Himachal Pradesh	2.5 (881.07, 882.3)	19-Jul-21	2.5 (878.61, 879.84)	27-May-35								
11	Jammu & Kashmir	2.5 (886.59, 887.82)	5-Sep-24	2.5 (884.13, 885.36)	27-May-35			4.4 (1817.3-1821.1), (1825.5-1826.1)	05-Sep-24			5 (2159-2164)	31-Aug-30
12	Odisha	3.75 (879.84, 881.07, 882.3)	19-Jul-21	1.25 (878.61)	27-May-35								
		27.5		12.5		1.25		26.4		1.2		10	



ANNEXURE C | DEMERGED UNDERTAKING 3 LICENSES

DEMURGED COMPANY 2				
THE VALIDITY OF THE LICENSES IS 20 YEARS.				
Sr. No.	Service Area	UL License No.	Effective Date of Agreement	Valid Upto
1	ASSAM	20-473/2015 AS-I/ dated17.08.2015	12.12.2015	11.12.2035
2	BIHAR			11.12.2035
3	HIMACHAL PRADESH			11.12.2035
4	MADHYA PRADESH			11.12.2035
5	NORTH EAST			11.12.2035
6	ORISSA			11.12.2035
7	WEST BENGAL			11.12.2035
UASL after Migration (Access)				
			Date of Migration Agreement	Valid Upto
8	KOLKATA	18-2/2009/AS-III/RTL/Kolkata	16-Apr-09	26.09.2021

DETAILS OF SPECTRUM RELATING TO DEMERGED UNDERTAKING 3														
Sr. No.	Circle	800 MHz - Liberalized	800 MHz - Auction				900 MHz - Auction		1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
1	Kolkata								6.2 (1844.9-1851.1)	19-Jul-21			5 (2164-2169)	31-Aug-30
2	Madhya Pradesh						5 (935.1-940.1)	11-Dec-35					5 (2154-2159)	31-Aug-30



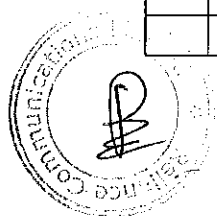
DETAILS OF SPECTRUM RELATING TO DEMERGED UNDERTAKING 3														
Sr No.	Circle	800 MHz - Libera lized	800 MHz - Auction				900 MHz - Auction		1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectr um	Spectr um	Expi ry	Spectru m	Expi ry	Spect rum	Expiry	Spect rum	Expir y	Spect rum	Expiry	Spect rum	Expir y
		MHz	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
3	West Bengal												5 (2154 - 2159)	31- Aug- 30
4	Assam		2.5 (885.99, 887.22)	11- Dec- 35	2.5 (883.53, 884.76)	27- May -35							5 (2149 - 2154)	31- Aug- 30
5	Bihar												5 (2159 - 2164)	31- Aug- 30
6	Hima chal Prad esh						5 (935.1- 940.1)	11- Dec- 35					5 (2164 - 2169)	31- Aug- 30
7	Nort h East		2.5 (881.07, 882.3)	11- Dec- 35	2.5 (878.61, 879.84)	27- May -35					5 (1831.1- 1836.1)	11- Dec- 35	5 (2164 - 2169)	31- Aug- 30
8	Odish a										5 (1831.3- 1836.3)	11- Dec- 35	5 (2164 - 2169)	31- Aug- 30
		0	5		5		10		6.2		10		40	



ANNEXURE D | DEMERGED CARVED OUT UNDERTAKING LICENSES

DEMERGED COMPANY 2 The validity of the Licenses is 20 years.				
Sr. No.	Service Area	UL License No.	Effective Date of Agreement	Valid Upto
1	BIHAR	20-473/2015 AS-I/ dated 17.08.2015	12.12.2015	11.12.2035
2	HIMACHAL PRADESH			11.12.2035
3	MADHYA PRADESH			11.12.2035
4	ORISSA			11.12.2035
5	WEST BENGAL			11.12.2035

DETAILS OF SPECTRUM RELATING TO DEMERGED CARVED OUT UNDERTAKING														
Sr. No.	Circle	800 MHz - Liberalized	800 MHz - Auction				900 MHz - Auction		1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
1	Bihar												5 (2159-2164)	31-Aug-30
2	Himachal Pradesh						5 (935.1-940.1)	11-Dec-35					5 (2164-2169)	31-Aug-30
3	Madhya Pradesh						5 (935.1-940.1)	11-Dec-35					5 (2154-2159)	31-Aug-30
4	Odisha										5 (1831.3-1836.3)	11-Dec-35	5 (2164-2169)	31-Aug-30
5	West Bengal												5 (2154-2159)	31-Aug-30
		0	0		0		10		0		5		25	



ANNEXURE E | SSTL BUSINESS 1 LICENSES

<p>Sistema Shyam Teleservices Limited The validity of the Licenses is 20 years.</p> <p>UASL License Agreements(Access)</p>					
Sr. No.	Service Area	License No.	Date of Agreement	Effective Date of Agreement	Valid Upto
1.	DELHI	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	02-Oct-33
2.	GUJARAT	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33
3.	KARNATAKA	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33
4.	RAJASTHAN	10-16/2004-BS-II/STL/Rajasthan	14.11.2003	04.03.1998	03-Mar-18
5.	TAMILNADU (Incl.Chennai)	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33

DETAILS OF SPECTRUM RELATING TO SSTL BUSINESS 1											
Sr. No.	Circle	800 MHz - Liberalized		800 MHz - Auction		1800 MHz - Admin		1800 MHz - Auction		2100 MHz - Auction	
		Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
1	Delhi			3.75 (874.02 , 886.59, 887.82)	2-Oct-33						
2	Gujarat			3.75 (872.79 , 874.02, 881.07)	2-Oct-33						
3	Karnataka			3.75 (874.02 , 886.59, 887.82)	2-Oct-33						
4	Tamil Nadu			3.75 (874.02 , 886.59, 887.82)	2-Oct-33						
5	Rajasthan	2.5 (872.79 , 874.02)	03-Mar-18					4.4 (1832.5 - 1836.9)	03-Mar-18		
		2.5		18.75				4.4			



ANNEXURE F | SSTL BUSINESS 2 LICENSES

<p>Sistema Shyam Teleservices Limited The validity of the Licenses is 20 years.</p> <p>UASL License Agreements(Access)</p>					
Sr. No.	Service Area	License No.	Date of Agreement	Effective Date of Agreement	Valid Upto
1.	KERALA	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33
2.	KOLKATA	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33
3.	UTTAR PRADESH(WEST)	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33
4.	West Bengal	20-384/2013 AS-I Vol-II	03.10.2013	03.10.2013	2-Oct-33

DETAILS OF SPECTRUM RELATING TO SSTL BUSINESS 2											
Sr. No.	Circle	800 MHz - Liberalized		800 MHz – Auction		1800 MHz - Admin		1800 MHz – Auction		2100 MHz – Auction	
		Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry	Spectrum	Expiry
		MHz	Date	MHz	Date	MHz	Date	MHz	Date	MHz	Date
1	Kolkata			3.75 (877.08, 880.17, 881.4)	2-Oct-33						
2	Kerala	3.75 (874.02, 886.59, 887.82)	2-Oct-33								
3	Uttar Pradesh (West)	3.75 (874.02, 886.59, 887.82)	2-Oct-33								
4	West Bengal	3.75 (876.78, 880.77, 882.0)	2-Oct-33								
		11.25		3.75							

